

State of Alaska Department of Health and Social Services



Fiscal Year 2006 Budget Overview



Joel Gilbertson
Commissioner

Frank Murkowski
Governor



<i>INTRODUCTION TO DEPARTMENT</i>	3
<i>EXECUTIVE MANAGEMENT ORGANIZATION</i>	6
<i>MAJOR ACCOMPLISHMENTS IN 2004</i>	7
<i>PROGRAM PRIORITIZATION</i>	9
<i>FY2006 BUDGET CHANGES</i>	10
<i>MEDICAID</i>	23
<i>EXPENDITURE CATEGORY COMPARISONS</i>	27
<i>ALASKA PIONEER HOMES</i>	31
<i>INTRODUCTION</i>	31
<i>ANNUAL STATISTICAL SUMMARY OF SERVICES PROVIDED IN FY 2004 (CHARTS)</i>	32
<i>LIST AND DESCRIPTION OF PRIMARY PROGRAMS AND STATUTORY RESPONSIBILITIES</i>	39
<i>EXPLANATION OF FY 2006 BUDGET CHANGES</i>	44
<i>BEHAVIORAL HEALTH</i>	47
<i>INTRODUCTION</i>	47
<i>ANNUAL STATISTICAL SUMMARY OF SERVICES PROVIDED IN FY 2004</i>	48
<i>LIST OF PRIMARY PROGRAMS AND STATUTORY RESPONSIBILITIES</i>	50
<i>EXPLANATION OF FY06 BUDGET CHANGES</i>	55
<i>CHILDREN’S SERVICES</i>	61
<i>INTRODUCTION</i>	61
<i>ANNUAL STATISTICAL SUMMARY OF SERVICES PROVIDED IN FY 2004</i>	63
<i>LIST AND DESCRIPTION OF PRIMARY PROGRAMS AND STATUTORY RESPONSIBILITIES</i>	74
<i>EXPLANATION OF FY 2006 BUDGET CHANGES</i>	77
<i>HEALTH CARE SERVICES</i>	83
<i>INTRODUCTION</i>	83
<i>ANNUAL STATISTICAL SUMMARY OF SERVICES PROVIDED IN FY2004</i>	84
<i>LIST AND DESCRIPTION OF PRIMARY PROGRAMS AND STATUTORY RESPONSIBILITIES</i>	86
<i>EXPLANATION OF FY2006 BUDGET CHANGES</i>	92
<i>JUVENILE JUSTICE</i>	95
<i>INTRODUCTION</i>	95
<i>ANNUAL STATISTICAL SUMMARY OF SERVICES IN FY2004</i>	98
<i>LIST AND DESCRIPTION OF PRIMARY PROGRAMS AND STATUTORY RESPONSIBILITIES</i>	104
<i>EXPLANATION OF FY2006 BUDGET CHANGES</i>	115
<i>PUBLIC ASSISTANCE</i>	123
<i>INTRODUCTION</i>	123
<i>ANNUAL STATISTICAL SUMMARY OF SERVICES IN FY2004</i>	124
<i>LIST AND DESCRIPTION OF PRIMARY PROGRAMS AND STATUTORY RESPONSIBILITIES</i>	126
<i>EXPLANATION OF FY2006 BUDGET CHANGES</i>	129
<i>PUBLIC HEALTH</i>	147
<i>INTRODUCTION</i>	147
<i>LIST AND DESCRIPTION OF PRIMARY PROGRAMS AND STATUTORY RESPONSIBILITIES</i>	155
<i>EXPLANATION OF FY2006 BUDGET CHANGES</i>	157

<i>SENIOR AND DISABILITIES SERVICES</i>	<i>163</i>
<i>INTRODUCTION</i>	<i>163</i>
<i>ANNUAL STATISTICAL SUMMARY OF SERVICES IN FY2004</i>	<i>164</i>
<i>LIST AND DESCRIPTION OF PRIMARY PROGRAMS AND STATUTORY RESPONSIBILITIES</i>	<i>167</i>
<i>EXPLANATION OF FY 2006 BUDGET CHANGES</i>	<i>172</i>
<i>DEPARTMENTAL SUPPORT SERVICES</i>	<i>179</i>
<i>INTRODUCTION</i>	<i>179</i>
<i>LIST AND DESCRIPTION OF PRIMARY PROGRAMS AND STATUTORY RESPONSIBILITIES</i>	<i>180</i>
<i>EXPLANATION OF FY2006 BUDGET CHANGES</i>	<i>184</i>
<i>BOARDS AND COMMISSIONS</i>	<i>189</i>
<i>PERFORMANCE MEASURES</i>	<i>199</i>
<i>DEPARTMENT OF HEALTH AND SOCIAL SERVICES</i>	<i>199</i>
<i>ALASKA PIONEER HOMES RESULTS DELIVERY UNIT</i>	<i>218</i>
<i>BEHAVIORAL HEALTH RESULTS DELIVERY UNIT</i>	<i>221</i>
<i>CHILDREN'S SERVICES RESULTS DELIVERY UNIT</i>	<i>223</i>
<i>HEALTH CARE SERVICES RESULTS DELIVERY UNIT</i>	<i>228</i>
<i>JUVENILE JUSTICE RESULTS DELIVERY UNIT</i>	<i>233</i>
<i>PUBLIC ASSISTANCE RESULTS DELIVERY UNIT</i>	<i>241</i>
<i>PUBLIC HEALTH RESULTS DELIVERY UNIT</i>	<i>247</i>
<i>SENIOR AND DISABILITIES SERVICES RESULTS DELIVERY UNIT</i>	<i>255</i>
<i>DEPARTMENTAL SUPPORT SERVICES RESULTS DELIVERY UNIT</i>	<i>258</i>
<i>APPENDICES</i>	<i>263</i>
<i>RDU/COMPONENT LISTING FY2006</i>	<i>263</i>
<i>GLOSSARY OF ACRONYMS</i>	<i>267</i>

Introduction To Department

Mission

To promote and protect the health and well-being of Alaskans.

INTRODUCTION TO DEPARTMENT

The Department of Health and Social Services was originally established in 1919 as the Alaska Territorial Health Department. At Statehood, the Department was expanded to include public welfare responsibilities and continues today to have responsibility for public health, public welfare and public protection. These core principles are reflected in the mission of the Department (to promote and protect the health and well being of Alaskans) and stem from Article 7, Sections 4 and 5 of the Constitution of the State of Alaska.

FY06 will mark the two year anniversary of the first major restructuring of the Department of Health and Social Services in twenty years. Refinements continued in FY05 with administrative changes to Grants and Contracts, Information Technology, and Finance and Management Services. These reorganizations allowed the department to meet the original goals initially established, to maximize federal funding and to realign programs consistent with their missions. In FY06 the department focus is to stabilize the department organization structure and to assist divisions and programs to meet their goals and performance outcomes.

The department has the following organization structure:

- Alaska Pioneer Homes
- Behavioral Health
- Office of Children's Services
- Health Care Services
- Juvenile Justice
- Public Assistance
- Public Health
- Senior and Disabilities Services
- Commissioner's Office
- Commissioner's Office-Finance and Management Services

In order to carry out our mission, program support is offered in the following areas:

Core Services

- Provide quality assisted living in a safe home environment.
- Provide an integrated behavioral health system.
- Promote stronger families, safer children.
- Manage health care coverage for Alaskans in need.
- Address juvenile crime by promoting accountability, public safety and skill development.
- Provide self-sufficiency and basic living expenses to Alaskans in need.
- Protect and promote the health of Alaskans.
- Promote independence of Alaska Seniors and people with physical and developmental disabilities.
- Provide quality administrative services in support of the Department's mission.

We Create Public Value By

- œ Reducing reliance on state general funds for as many DHSS programs as possible
- œ Ensuring Alaskan children are healthy
- œ Ensuring Alaskan children are safe
- œ Assisting low income Alaskans to become as economically self-sufficient as possible
- œ Keeping children with mental health issues close to their community support networks
- œ Preventing and mitigating threats to public health

In carrying out these services, we provide the following contributions to the economy of Alaska:

- œ Benefit payments to over 90,000 Alaskans in the upcoming year.
- œ Health Coverage for over 128,000 eligible persons.
- œ Management of 41 state-owned facilities and 80 leased facilities in over 100 communities in Alaska.
- œ Management of \$146.0 million in grants to communities and non-profit entities throughout Alaska, which provide local jobs to over 2,146 individuals.
- œ Oversight of over \$900 million in federal funds, which flow through the department on an annual basis every year, for Medicaid, Temporary Assistance, Bioterrorism as a few examples.

The department has over 3,200 positions budgeted, of which approximately 1,600 are direct field workers including:

88	Public Health Nurses
287	Social Workers and Children's Service Specialists
303	Eligibility/Work Services
260	Alaska Psychiatric Institute (API) staff
619	Pioneer Homes staffing
264	Youth Detention/Treatment workers
88	Juvenile Probation Workers

Non direct field staff fall into two categories: program support services such as benefit payment processing, and administrative or management support. Although many employees do not have direct contact with clients, their work is an integral part of program operations in the department.

Position Information

Permanent Full-Time: 3,180
 Permanent Part-Time: 105
 Nonpermanent: 186

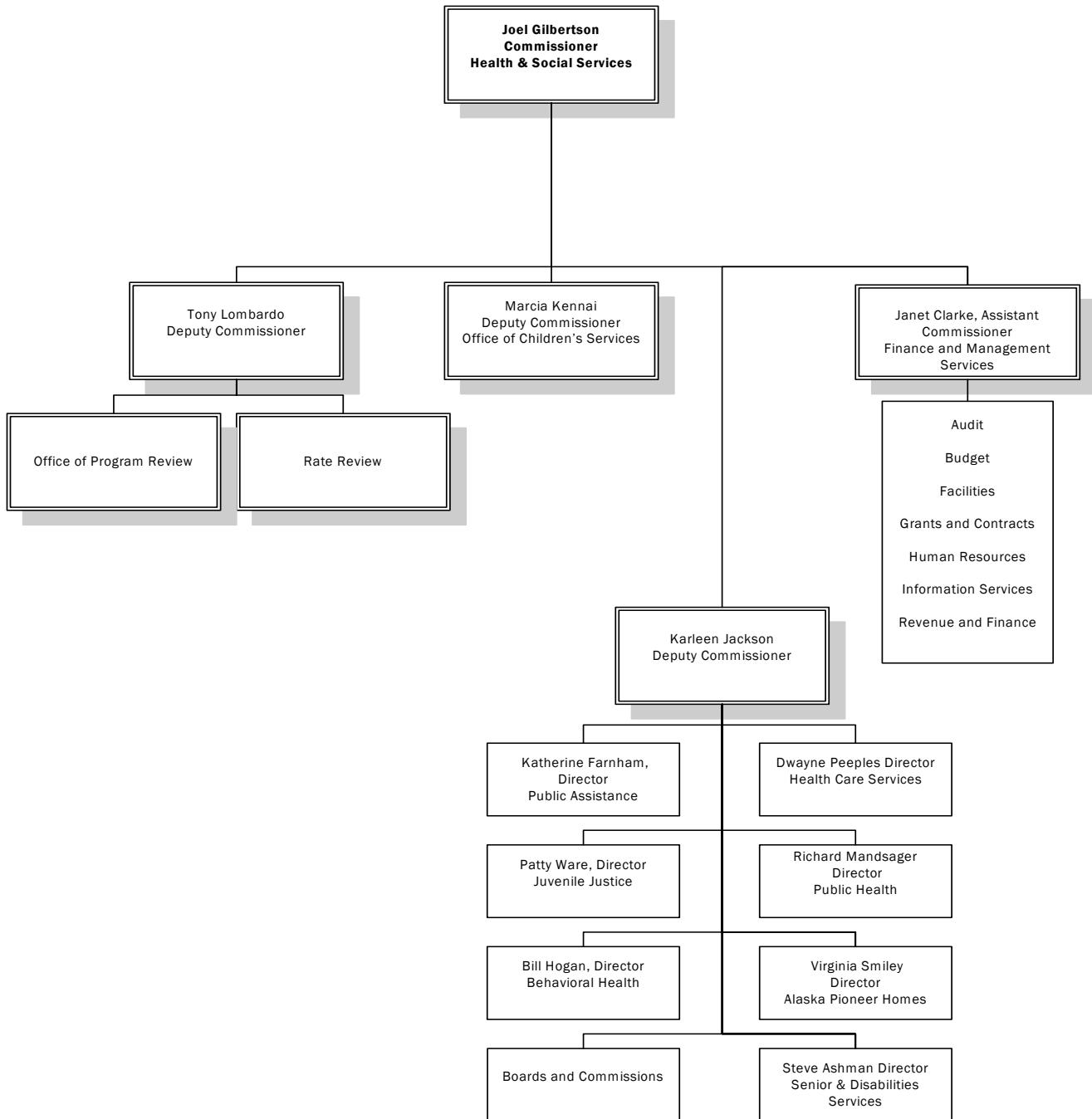
Department employees are located across the state as shown below. Additionally, many staff provide itinerant service, i.e. public health nurses, in the smaller rural communities.

FY2005 Position Summary by Location

Location	Total Full Time	Total Part Time	Total Non Perm	Total Position Counts
Alaska Psychiatric Institute	229	13	37	279
Anchorage	1306	20	43	1369
Aniak	4	0	0	4
Barrow	7	0	0	7
Bethel	93	0	2	95
Cordova	2	1	0	3
Craig	6	0	0	6
Delta Junction	6	1	0	7
Dillingham	11	1	0	12
Eagle River	1	0	0	1
Fairbanks	350	7	17	374
Fort Yukon	0	1	0	1
Galena	2	1	0	3
Haines	2	0	0	2
Homer	12	2	0	14
Juneau	564	26	46	636
Kenai	78	2	1	81
Ketchikan	106	11	16	133
King Salmon	1	0	0	1
Kodiak	14	2	0	16
Kotzebue	8	0	0	8
McGrath	3	0	0	3
Naknek	0	0	0	0
Nome	36	1	1	38
Palmer	147	15	12	174
Petersburg	5	0	0	5
Saint Marys	4	0	0	4
Seward	3	0	0	3
Sitka	96	1	11	108
Soldotna	1	0	0	1
Tanana	0	0	0	0
Tok	2	0	0	2
Unalaska	1	0	0	1
Valdez	5	0	0	5
Wasilla	72	0	0	72
Wrangell	3	0	0	3
Totals	3,180	105	186	3,471

Executive Management Organization

January 2005



Major Accomplishments In 2004

- Consolidated Grants & Contracts functions, and Finance and Management services to provide more efficient and effective service delivery.
- Gained passage of legislation and received provisional federal approval authorizing operation of the Palmer Pioneer Home as a State Veterans Home.
- Continued implementation of the Office of Children's Services Performance Improvement Plan. This included providing Foster Care to an average of 1,207 children daily and providing permanent homes to 320 children.
- Increased enrollment in the Infant Learning Program to 1736. Reduced the waitlist from 176 on 6/30/02 to 70 on 6/30/04.
- Developed project plans for implementation and deployment of the State's new Medicaid Management Information System (completion date target is September 30, 2005).
- Continued implementation of various Medicaid cost containment initiatives to save State general fund.
- Opened the Kenai Peninsula Youth Facility in December 2003.
- Implemented the Juvenile Justice statewide detention assessment instrument (DAI) to ensure appropriate use of costly detention resources.
- The Department received a TANF High Performance Bonus for the third year in a row. The award acknowledges the State's success in helping adults in Temporary Assistance families enter the job market.
- Improved the Food Stamp error rate from the FFY03 rate of 13.62% (highest in the nation) to the FFY04 (pending final review) of 6-7%.
- Successfully responded to Norovirus outbreaks with tourists and the Iditarod; this included adding this new test at the Public Health Lab (also added the West Nile Virus test capabilities).
- Improved the Health rating for State of Alaska from 45th in 1990 to 24th in 2004 based on United Health Foundation rankings.
- Improved the immunization rating for Alaska from 38th in 2001 to 27th in 2003 among the states.
- In the promotion of an integrated behavioral health care system, Behavioral Health designed a Request for Proposal (RFP) process that integrated the previous separate mental health and substance abuse services into a single grant application. This

project has a direct impact on 23 communities who would receive integrated behavioral health grants beginning in FY05.

- Provided Medicaid Waiver services to over 3,300 Alaskans who would otherwise be institutionalized.
- Reduced the Developmental Disabilities waitlist by 300 names.

Program Prioritization

Statutory Reference AS 37.07.050(a)(13)

Prioritization of programs is based on importance to:

- ☞ Providing direct services to clients.
- ☞ Protection of vulnerable populations.
- ☞ Areas where State Government is ultimately responsible for providing service.
- ☞ Relevance of the activity to the department's mission.

- | | |
|---|---|
| 1. Front Line Social Workers | 49. Infant Learning Program Grants |
| 2. Alaska Psychiatric Institute | 50. Certification and Licensing |
| 3. Protection and Community Services | 51. State Medical Examiner |
| 4. Epidemiology | 52. Senior Residential Services |
| 5. Alaska Temporary Assistance Program | 53. General Relief Assistance |
| 6. Tribal Assistance Programs | 54. Community Health Grants |
| 7. Pioneer Homes | 55. Community Action Prevention & Intervention Grants |
| 8. HCS Medicaid Services | 56. Designated Evaluation and Treatment |
| 9. Senior and Disabilities Medicaid Services | 57. Commissioner's Office |
| 10. Behavioral Health Medicaid Services | 58. Administrative Support Services |
| 11. Children's Medicaid Services | 59. Health Planning & Facilities Management |
| 12. Senior Services | 60. Office of Program Review |
| 13. Probation Services | 61. Information Technology Services |
| 14. Adult Public Assistance | 62. Rate Review |
| 15. Community Developmental Disabilities Grants | 63. Quality Control |
| 16. Foster Care Base Rate | 64. Fraud Investigation |
| 17. Foster Care Augmented Rate | 65. Hearings and Appeals |
| 18. Foster Care Special Need | 66. Facilities Maintenance |
| 19. McLaughlin Youth Center | 67. Pioneers Homes Facilities Maintenance |
| 20. Delinquency Prevention | 68. Children's Services Training |
| 21. Fairbanks Youth Facility | 69. Public Assistance Field Services |
| 22. Johnson Youth Center | 70. Child Protection Legal Services |
| 23. Bethel Youth Facility | 71. Community Health/Emergency Medical Services |
| 24. Nome Youth Facility | 72. Tobacco Prevention and Control |
| 25. Ketchikan Regional Youth Facility | 73. Assessment and Planning (Medicaid) |
| 26. Mat-Su Youth Facility | 74. Women, Children & Family Health |
| 27. Kenai Peninsula Youth Facility | 75. Medicaid School Based Administrative Claims |
| 28. Public Health Laboratories | 76. HSS State Facilities Rent |
| 29. Residential Child Care | 77. Alaskan Pioneer Homes Management |
| 30. Psychiatric Emergency Services | 78. Behavioral Health Administration |
| 31. Behavioral Health Grants | 79. Children's Services Management |
| 32. Rural Services and Suicide Prevention | 80. Medical Assistance Administration |
| 33. Services for Severely Emotionally Disturbed Youth | 81. Public Assistance Administration |
| 34. AK Fetal Alcohol Syndrome Program | 82. Public Health Administrative Services |
| 35. Services to the Seriously Mentally Ill | 83. Senior and Disabilities Services Administration |
| 36. Catastrophic and Chronic Illness Assistance | 84. Permanent Fund Dividend Hold Harmless |
| 37. Nursing | 85. Council on Faith Based & Community Initiatives |
| 38. Subsidized Adoptions & Guardianship | 86. Children's Trust Programs |
| 39. Child Care Benefits | 87. Alcohol Safety Action Program (ASAP) |
| 40. Work Services | 88. Advisory Board on Alcoholism and Drug Abuse |
| 41. BASIC Grants | 89. Alaska Mental Health Board |
| 42. Energy Assistance Program | 90. Commission on Aging |
| 43. Bureau of Vital Statistics | 91. Governor's Council on Disabilities |
| 44. Emergency Medical Services Grants | 92. Pioneers Homes Advisory Board |
| 45. Human Services Community Matching Grant | 93. Suicide Prevention Council |
| 46. Senior Community Based Grants | |
| 47. Women, Infants and Children | |
| 48. Family Preservation | |

FY2006 Budget Changes

FY06 Budget

The Department of Health and Social Services (DHSS) faced tremendous challenges in the last few years to provide a balance between reducing the reliance on state general funds and providing services to vulnerable populations.

In FY04 DHSS reduced general fund expenditures by \$120 million in decrements and again in FY05 general fund reductions totaled \$46.7 million. In over two fiscal years the department saved over \$166 million. The reductions in the previous years were based on finding efficiencies, cost containment and refinancing so that services to clients would not have to be eliminated. Continuing to reduce general fund expenditures at the pace set in FY04 and FY05 would result in elimination of programs and cuts to services for vulnerable populations because efficiencies gained by the reorganization have been realized and there is little additional general fund savings that can now be taken in FY06.

In the FY06 budget the current Administration is not willing to sacrifice services to the poorest and weakest clients by eliminating programs. Our goal is to provide increases and enhance services that meet the outcomes established by the department. In addition, our emphasis in FY06 is to focus on continuing to fund treatment or prevention and early intervention as strategies rather than just high-end expenditures.

Proposed budget for 2006 compared to 2005

	2005	2006 Proposed
DHSS budget		
General Fund	\$ 530.6 million	\$ 616.3 million
Federal Funds	935.2 million	989.8 million
Other Funds	212.5 million	206.1 million
Total	\$ 1.678 billion	\$ 1.813 billion
Increased Federal revenue		54.5 million
Increased General Fund		86.3 million

Budget Strategies

Increases to maintain services: The Department recommends an increase of over \$72 million in general funds to maintain the current level of service in a number of programs. Included in this are: 1) Increased fuel costs to 24 hour facilities, which will cost the department \$121.5; 2) \$2.7 million to maintain services for Fetal Alcohol Syndrome Diagnostic teams, Human Service Community Matching Grant program, the Alaska Poison Control service, the current Breast and Cervical Cancer screening program (an expansion is

also proposed) and a variety of other core DHSS programs; and 3) \$69.4 million for Increased costs of case-load driven programs such as: Medicaid, Adult Public Assistance, and the Subsidized Adoption and Guardianship program. DHSS has many caseload-driven programs, which requires general fund investment to maintain the same service levels. In FY05 DHSS expected to save \$66.7 million in general funds through refinancing, cost containment and efficiencies, due to delays in implementation and concern from the public \$16.4 million in Medicaid has not yet been able to be realized, so the department is requesting general funds to maintain the service levels.

Program Enhancements: The Department proposes that several key programs receive enhanced funding in FY06, totaling \$8.3 million GF. These are: 1) Child Protection to reduce caseloads for front-line workers, fully implement new technology, and improve outcomes for kids; 2) Substance Abuse Prevention, which focuses programs for kids to prevent abuse and intervene early; 3) Enhancements for health programs including Breast and Cervical Cancer screening, and the Faith Based office; 4) Juvenile Justice improvements to address juvenile crime; 5) Senior programs to increase staffing and safety at Pioneer Homes and increase Adult Protective Services; and 6) Resources required to implement the federal mandate for a Payment Error Rate Measure (PERM) for Medicaid.

Refinancing: One budget technique used to reduce the dependence on the use of general funds is to “refinance,” or reducing use of state general funds by replacing general funds with federal or other funds – dollar for dollar. In FY06 we are able to refinance funds in the Alaska Pioneer Homes due to our expected certification of the Palmer Pioneer Home as a Veteran’s Home.

DHSS SUMMARY FY06 BUDGET

<u>Division</u>	<u>Budget Item</u>	<u>GEN FUND</u>
<u>INCREASES TO MAINTAIN SERVICES</u>		
APH	Increased Fuel Costs: Pioneer Homes	36.8
BH	Increased Fuel Costs: API	17.3
DJJ	Increased Fuel Costs: Bethel Youth Facility	7.1
DJJ	Increased Fuel Costs: Fairbanks Youth Facility	4.5
DJJ	Increased Fuel Costs: Johnson Youth Center	4.7
DJJ	Increased Fuel Costs: Kenai Peninsula Youth Center	1.4
DJJ	Increased Fuel Costs: Ketchikan Regional Youth Facility	1.1
DJJ	Increased Fuel Costs: Mat-Su Youth Facility	1.5
DJJ	Increased Fuel Costs: McLaughlin Youth Center	9.9
DJJ	Increased Fuel Costs: Nome Youth Facility	3.0
DPH	Increased Fuel Costs: Public Health Nursing Facilities	4.3
DPH	Increased Fuel Costs: Public Health Laboratory Facilities	<u>29.9</u>
	INCREASED FUEL COSTS SUBTOTAL	121.5
BH	Continue FASD Diagnostic Teams/Community Services	596.0
HSCMG	Human Service Community Match Grant: Maintain Grant Levels	76.0
DPA	Shift Electronic Benefit Transfer Call Center to U.S. site	123.0
DPH	Second Year Licensure of Midwifery Birth Centers	3.3
DPH	Reallocate Tobacco Funds from Community Health Grants	500.0
DPH	Sustain Poison Control Services for Alaska	70.0
DPH	Maintain Breast and Cervical Cancer Screening Program	500.0
SDS	Medicaid Audits	200.0
SDS	Continue Nursing Facilities Transition Program	225.0
FMS	Human Resource Consolidation Increased Chargeback	282.6
FMS	Routine Replacement Information Technology Hardware	<u>125.0</u>
	MAINTAIN CORE SERVICES SUBTOTAL	2,700.9
BH	Medicaid Growth: Behavioral Health Medicaid -9.9% growth	13,601.7
HCS	Medicaid Growth: Health Care Services Medicaid -10.2% growth	13,030.5
SDS	Medicaid Growth: Senior & Disabilities Medicaid -11.7% growth	19,488.2
	Unrealized Cost Containment Efforts: Health Care Services	
HCS	Medicaid	9,321.4
	Unrealized Cost Containment Efforts: Senior & Disabilities	
SDS	Services	7,084.4
HCS	Federal Medicare Part A& B Premium Cost Increase	50.2
HCS	Estimated Medicare Part D Clawback Adjustment	5,301.0
OCS	Subsidized Adoptions and Guardianships-8% Caseload Growth	1,018.3
DPA	Adult Public Assistance Caseload Growth	<u>558.9</u>
	MAINTAIN FORMULA PROGRAMS SUBTOTAL	69,454.6
INCREASES TO MAINTAIN SERVICES		\$72,277.0

PROGRAM ENHANCEMENTS

OCS	Maintenance Agreement for New IT System (ORCA)	120.0
OCS	ORCA Management Help Desk Support	129.0
OCS	Enhance Training Capacity for Front-Line Staff	220.4
OCS	Family Preservation Grant Funding	270.6
OCS	Increase Legal representation from Dept of Law	173.0
OCS	Resource Family Recruitment Effort	75.0
OCS	Front Line Social Workers-Increase Staff	830.5
OCS	Enhance Post-Adoption Services	187.5
OCS	Implement Unified Home Studies	120.0
FMS	Convert ORCA IT positions from capital funding	288.5
FMS	Replace Aging Computers and peripherals for Front Line staff	150.0
FMS	ORCA Programmer Support	<u>134.0</u>
	CHILD PROTECTION PACKAGE SUBTOTAL	2,698.5

BH	Substance Abuse Prevention: Leadership Initiatives for Children	0.0
BH	Substance Abuse Prevention: Reach Out Now	0.0
BH	Substance Abuse Prevention: Statewide Multimedia Education	0.0
BH	Bring the Kids Home: Assessment and Coordination	<u>204.5</u>
	BEHAVIORAL HEALTH ENHANCEMENT SUBTOTAL	204.5
	(Note: \$4.5 million GF contained in FY05 Supplemental proposal)	

Boards	Create Faith Based and Community Initiative Council	315.0
DPH	State Medical Examiner: Expand scope of Death Investigations	100.0
DPH	Breast and Cervical Cancer Screening Expansion	1,300.0
DPH	Statutory Rape reduction Project	<u>20.0</u>
	HEALTH ENHANCEMENTS SUBTOTAL	1,735.0

DJJ	Nome Youth Facility Expansion from 6 to 14 Beds	451.8
DJJ	Increase Efforts to Address Juvenile Crime	<u>1,070.0</u>
	JUVENILE JUSTICE ENHANCEMENT SUBTOTAL	1,521.8

APH	Open Veteran's Beds in the Palmer Pioneer Home	82.5
APH	Increase Staffing in Pioneer Homes for safety	300.0
SDS	Increase Adult Protective Services	<u>818.9</u>
	SENIOR PROGRAMS SUBTOTAL	1,201.40
	(Note: Senior Care Expansion and Adult Dental require legislation and fiscal notes will be submitted for these programs.)	

BH	Implement New Payment Error Rate Measure (PERM) for Medicaid	23.3
OCS	Implement New Payment Error Rate Measure (PERM) for Medicaid	23.2
HCS	Implement New Payment Error Rate Measure (PERM) for Medicaid	39.8
DPA	Implement New Payment Error Rate Measure (PERM) for Medicaid	281.9
OPR	Implement New Payment Error Rate Measure (PERM) for Medicaid	<u>523.9</u>

PERM SUBTOTAL	892.1
---------------	-------

PROGRAM ENHANCEMENTS	\$8,253.3
-----------------------------	------------------

REFINANCING

APH	Certify Palmer Home as Veteran's Home (replace GF with Federal)	-25.0
	REFINANCING	-25.0

SALARY ADJUSTMENTS

DEPT	FY05 Bargaining Unit Contract Terms : GGF	1,199.4
DEPT	FY06 Cost Increases all Bargaining Units	<u>4,450.3</u>
	SALARY ADJUSTMENTS	5,649.7

TRANSFER TO/FROM OTHER AGENCIES

	Reallocate Human Resource Consolidation funds for new	
DOA	Chargeback methodology	<u>162.5</u>
	TRANSFER TO/FROM OTHER AGENCIES	162.5

TOTAL DEPARTMENT ADJUSTMENTS	\$86,317.5
-------------------------------------	-------------------

BREAST & CERVICAL CANCER SCREENING

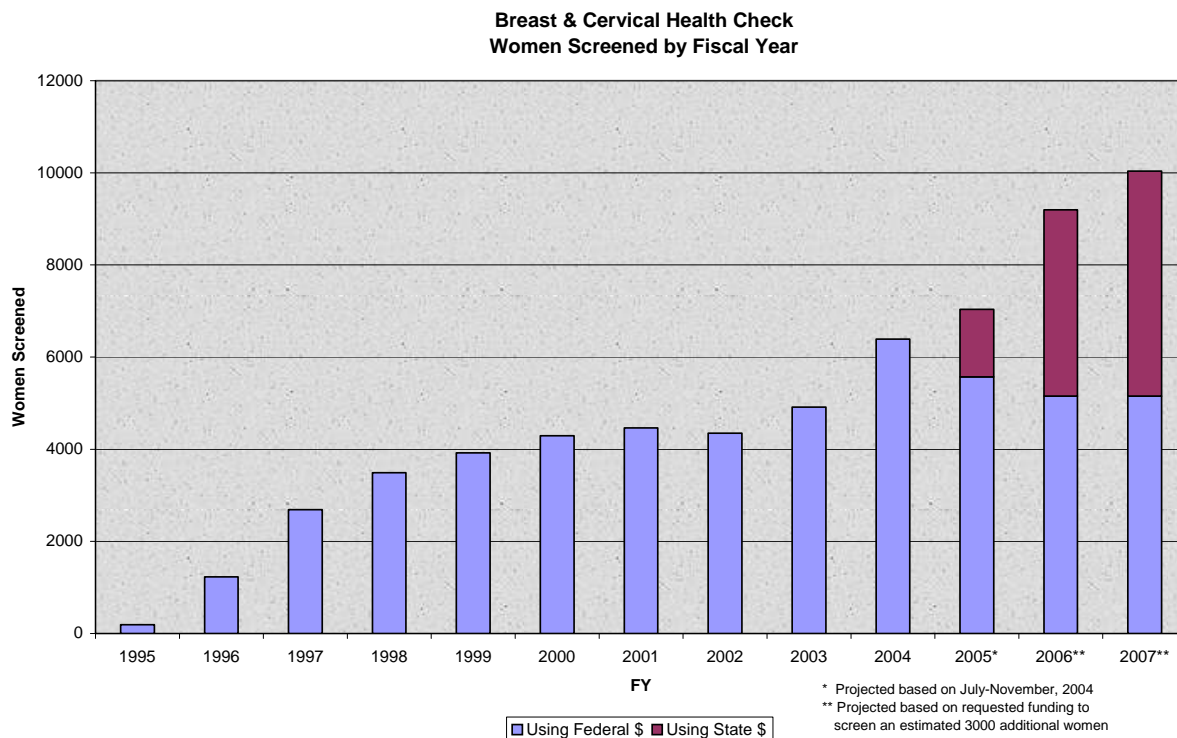
BUDGET SUMMARY	GENERAL FUND	\$1,800.0
	FEDERAL FUNDS	-\$ 500.0
TOTAL		\$1,300.0

WHAT IS THE ISSUE

- The Breast and Cervical Cancer Screening program provides breast and cervical cancer screening to Alaska women-statewide—who are low income and lack insurance.
- Screening providers are located throughout the state –and they provide services to more than 6,000 Alaska women each year.

BUDGET PROPOSAL

- The Breast & Cervical Cancer screening proposal first replaces \$500,000 in lost federal funds to keep the program hold-harmless treating the same number of women as in previous years, and second, provides \$1.3 million to expand the program.
- The Governor's proposal will increase the number of women screened by 50% or 3,000 to approximately 9,200.



WHY THIS NEEDS TO BE DONE

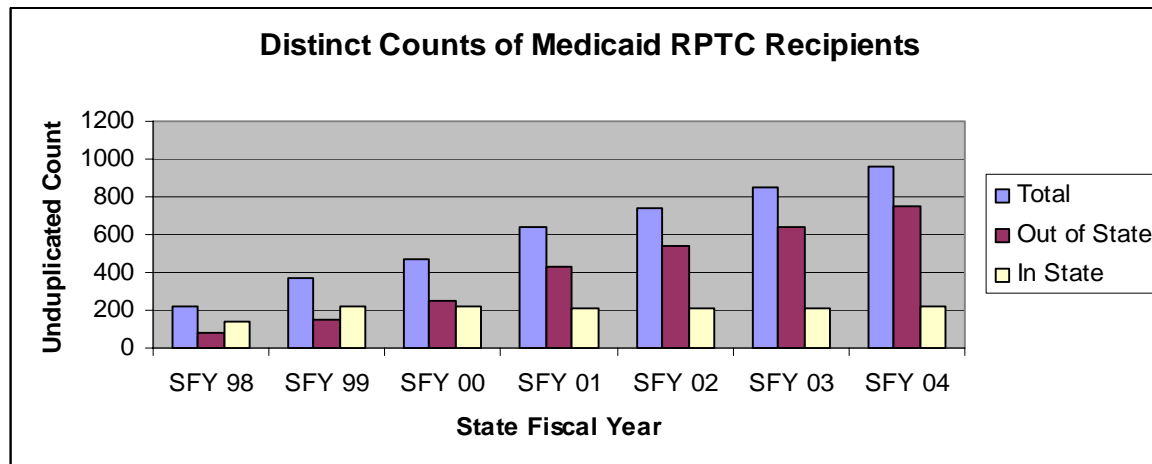
- Without this program and the statewide network of providers some women may not have been diagnosed in time.
- This program saves lives. Since the program began 130 cases of breast cancer have been diagnosed. And since the Medicaid treatment program began in 2001, 68 women have received assistance for breast cancer treatment.

BRING THE KIDS HOME

BUDGET SUMMARY	GENERAL FUND	\$ 204.5
	FEDERAL FUNDS	\$ 204.5
	MHTAAR	\$2,058.0
	TOTAL	\$2,467.0

WHAT IS THE ISSUE

- Over the last six years the children's mental health system has become increasingly reliant on institutional care – in-patient hospital and Residential Psychiatric Treatment Center (RPTC) care, especially out-of-state RPTC care, for treatment of severely emotionally disturbed youth.
- RPTC care has increased dramatically. The number of youth treated in out-of-state RPTC care grew by nearly 700% between FY98 and FY2003.
- In any one year, nearly 500 Alaskan Children are sent to out-of-state Residential Treatment Centers. In FY04 that number grew to 749. Financial resources, primarily Medicaid expenditures have grown as well from \$25.8 million in FY2001 to \$49.3 million in FY2004.



Distinct Counts of Medicaid RPTC Recipients by State Fiscal Year							
	SFY 98	SFY 99	SFY 00	SFY 01	SFY 02	SFY 03	SFY 04
Total	222	366	468	640	744	852	965
Out of State	83	149	247	429	536	637	749
In State	139	217	221	211	208	215	216

BRING THE KIDS HOME PROPOSAL

- “Bring the Kids Home” will return children being served in out-of-state facilities with severe emotional disturbances back to in-state residential or community based care.
- The program is a partnership with the Department and the Alaska Mental Health Trust Authority to develop the in-state capacity to treat children in Alaska. Services to be developed are:

WHY THIS NEEDS TO BE DONE

- Research shows that children have better long-term results if treated closer to home, where parents and the extended family can be involved in the treatment.
- State resources now being spent to support out-of-state facilities that can be in part reinvested to Alaska owned facilities.
- To reduce the use of out-of-state facilities and ensure that children are kept in-state wherever possible.

CHILD PROTECTION

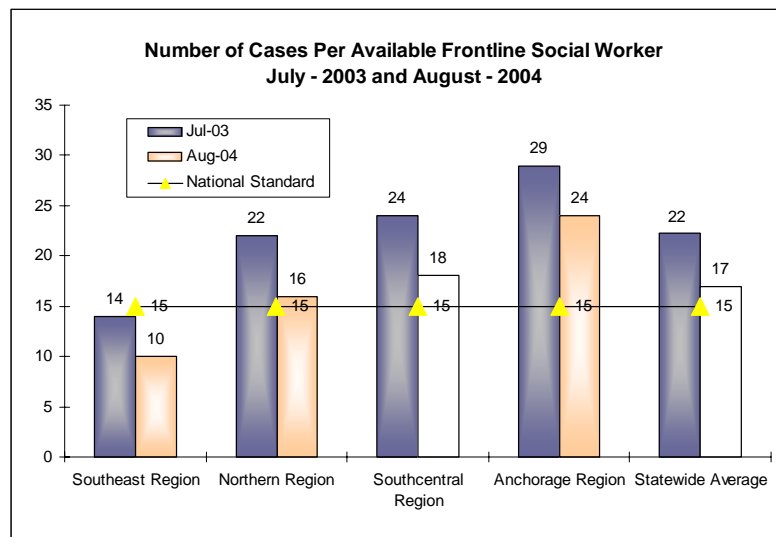
BUDGET SUMMARY	GENERAL FUND	\$2,698.5
	FEDERAL FUNDS	\$3,287.9
	CIP RECEIPTS	-\$ 577.0
	TOTAL	\$5,409.4

WHAT IS THE ISSUE

- The Alaska Child Protection Program Improvement Plan (PIP), effective September 2003, established a two-year roadmap for improvement for the Office of Children's Services. The PIP set benchmarks to measure progress of OCS.
- The PIP set outcomes for Alaska to meet ensuring the safety of children, finding children permanent homes and making sure their health, education and mental health needs are met. These outcomes cannot be met without additional resources.

CHILD PROTECTION PROPOSAL

- The \$5.4 million proposal establishes 34 additional positions for the Office of Children's Services. Additional positions will enable frontline workers to focus on increasing child protection, preventing abuse and neglect and achieving more permanent homes for children. Sixty positions will have been added since the Murkowski administration began a children's services overhaul in 2003.
- The proposed budget also provides for unified home studies of foster and adoptive homes; additional post-adoption services to ensure that adoptive families have the support they need to continue caring for special-needs children they have adopted from OCS; increased funding for social worker training; and support for new technology.



The chart shows only those cases that are "Investigation" or ongoing permanency case.

WHY THIS NEEDS TO BE DONE

- The long-term goal is to reduce child protection workloads enabling frontline workers to focus on increasing child protection, preventing child abuse and neglect, and achieving more permanent homes for children.

JUVENILE JUSTICE

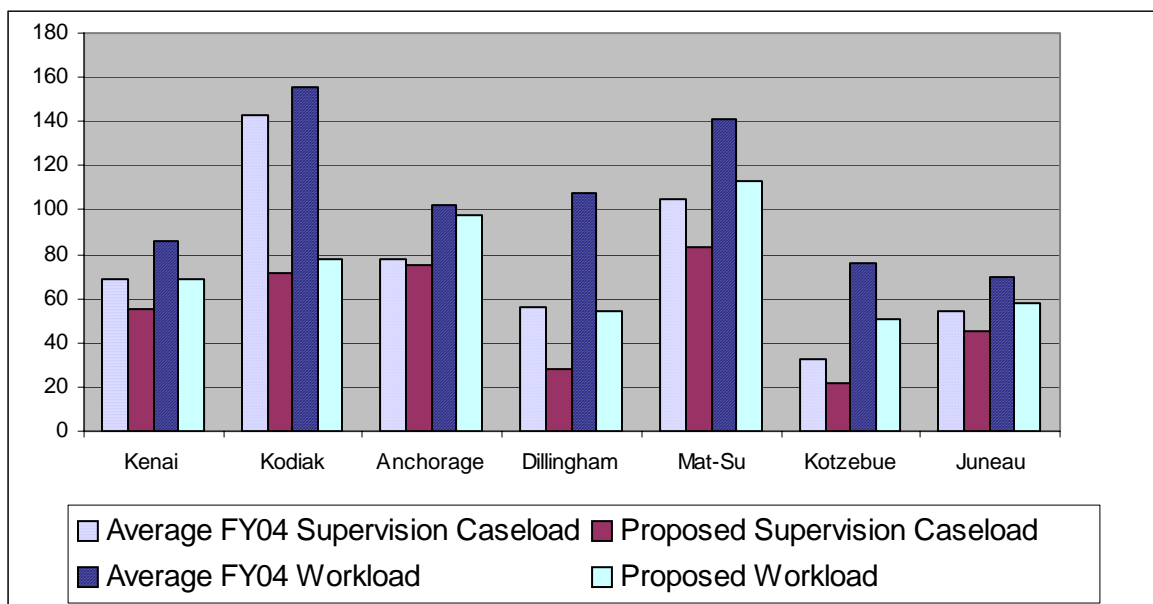
BUDGET SUMMARY	GENERAL FUND	\$1,521.8
	FEDERAL FUNDS	0.0
TOTAL		\$1,521.8

WHAT IS THE ISSUE

- Juvenile crime in Alaska is being transformed by establishing prompt and responsive early intervention activities at the front end of the system for better outcomes for children and communities.
- The Division of Juvenile Justice is continuing its work to develop a system that uses resources effectively, is based on best practice, and where decisions are based on data, are defensible and ensure desirable outcomes.

JUVENILE JUSTICE PROPOSAL

- The \$1.5 million proposal adds juvenile justice probation staff to ensure a proactive response to juvenile crime, including rural Alaska.
- The proposal includes staff to assist juvenile probation officers in providing more timely response to victims of juvenile crime
- The package also includes funds for a range of community-based interventions for youth, including youth courts.
- Additionally, 5.5 positions are added for the re-opening of the Nome Youth Facility to staff the additional beds (up from 6 to 14).



WHY THIS NEEDS TO BE DONE

- Focusing on timely and responsive early intervention produces safer communities and fewer victims.
- Improved ability to intervene at the front end of the juvenile system produces better outcomes for juvenile offenders.

- Providing services to hold juveniles accountable and providing them skills to return them to society reduces the likelihood of re-offense and further criminal activity as adults.

SUBSTANCE ABUSE PREVENTION

BUDGET SUMMARY	GENERAL FUND	596.0
	FY05 SUPPLEMENTAL	\$4,500.0
	OTHER-TANF	\$2,000.0
	TOTAL	\$7,096.0

WHAT IS THE ISSUE

- Substance Abuse and dependency cost the state of Alaska more than \$600 million annually in lost productivity, criminal justice, healthcare, treatment, family violence, accidents and public assistance.
- A 2003 national survey reported that those youth who first use alcohol before age 15 are more than 5 times as likely to say as adults that they abuse or are addicted to alcohol than a person who first used alcohol at age 21 or older. A recent study found that over 23 percent of Alaska high school students reported having had a first drink of alcohol before age 13.
- State programs have primarily focused on treatment, while prevention and early intervention efforts have had little emphasis.

SUBSTANCE ABUSE PREVENTION PROPOSAL

- The proposal is based on prevention and intervention strategies that are researched based programs that can demonstrate both effectiveness and cost benefits, the following principles guide the initiative:
 - We will begin efforts earlier with children and families and continue FAS programs.
 - We will work with youth to take a leadership role in promoting alcohol and drug-free lifestyles.
 - We will partner with schools and other programs for effective system development.
 - We will promote community advocacy on Local Options campaign and get Alaskans involved in reducing alcohol use, abuse and dependency.
- The proposal is funded with a combination of FY05 state general funds and federal TANF funds available from the State's High Performance Bonus.

WHY THIS NEEDS TO BE DONE

- Research has shown that preventing alcohol and drug abuse, as well as other problem behaviors, can produce benefits for communities, families and individuals that far outweigh any monetary costs of prevention programs. The benefits are: improved community health, educational opportunities, job opportunities and overall health and well being.
- FAS continues to be a significant problem in Alaska-there are still over 160 children born in Alaska each year with either FAS or FAE the estimated annual healthcare cost of these children is over \$21 million annually.

SENIOR PROPOSALS

BUDGET SUMMARY	GENERAL FUND	\$1,935.7
	FEDERAL FUNDS	\$2,260.1
	OTHER-TANF	\$9,334.4
	TOTAL	\$13,530.2

WHAT IS THE ISSUE

- Alaska's growing senior population is facing increased healthcare costs, including costly prescription drugs and dental care.
- Currently, Alaska's SeniorCare program, which provides cash or a prescription drug subsidy for low-income seniors until full federal Medicare drug coverage becomes available January 1, 2006, will end on that date.
- Medicaid dental coverage currently provides solely emergency dental care for Medicaid recipients aged 21 or older.
- The number of vulnerable adults in Alaska that need protective services is increasing; and staffing in the Pioneer Homes, for those homes with the highest utilization, needs to be improved to ensure safety.

SENIOR PROPOSALS

- Major goals for the Alaska Senior population are to integrate state benefits for low-income seniors with available federal funds; to improve the dental health of adult Alaskans; provide better protection and safety for Alaska's most vulnerable adults including Pioneers. A summary of the proposals follows:
 - SeniorCare: Continue the cash benefit for the 7,000 low-income seniors beyond January 1, 2006; Change the SeniorCare drug benefit to cover Medicare Part D or comparable insurance prescription drug premiums and deductibles for Alaska seniors with incomes up to 300 percent of poverty; Over 40% (17,000) of Alaska Seniors will be eligible for this program. Legislation will be introduced for this proposal.
 - Adult Dental: Expand the range of adult dental services under Medicaid to provide for preventative or restorative adult dental services up to \$1,150.00 per year. The expected cost of \$3.2 million is funded with 66% federal Medicaid, 12.5% Alaska Mental Health Trust and 21.5% State General Fund. Legislation will be introduced for this proposal.
 - Adult Protective Services: Provide \$818.9 general funds to add one adult protective services worker and resources to provide emergency and protective placements for vulnerable adults.
 - Alaska Pioneer Homes: Provide six additional staff to those homes with the highest utilization (Ketchikan, Juneau, and Fairbanks) to ensure that all shifts are staffed appropriately for a safe environment; add the initial resources to begin operating the Palmer Pioneer Home as a Veteran's Home.

WHY THIS NEEDS TO BE DONE

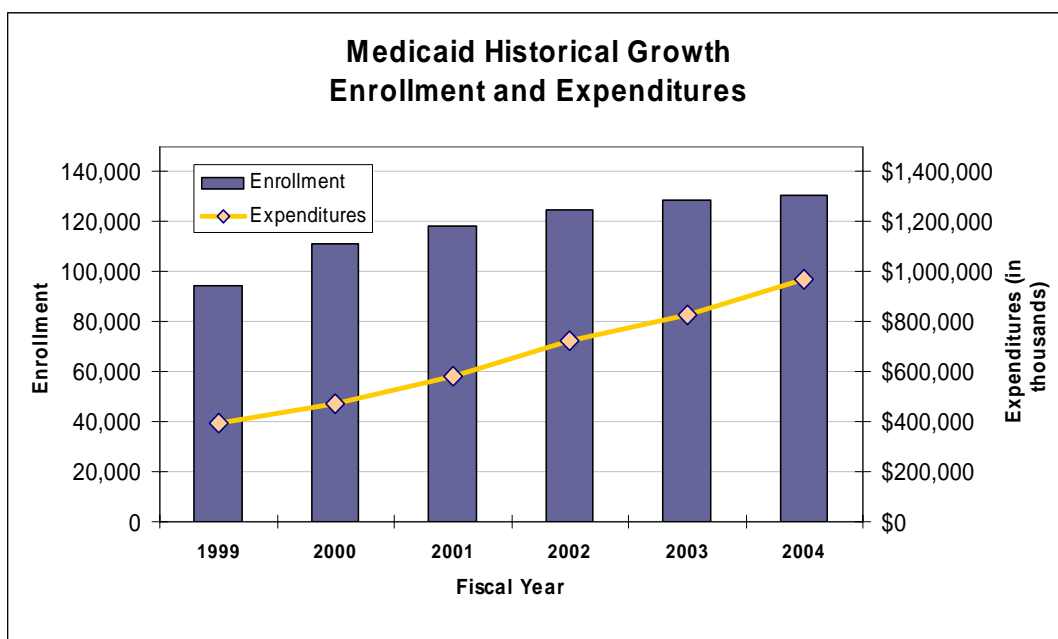
- Alaska's senior population is expanding rapidly.
- Healthcare costs, including prescription drug and dental care have increased by 5% annually.
- The most vulnerable adults and seniors need to be in a safe environment.

Medicaid

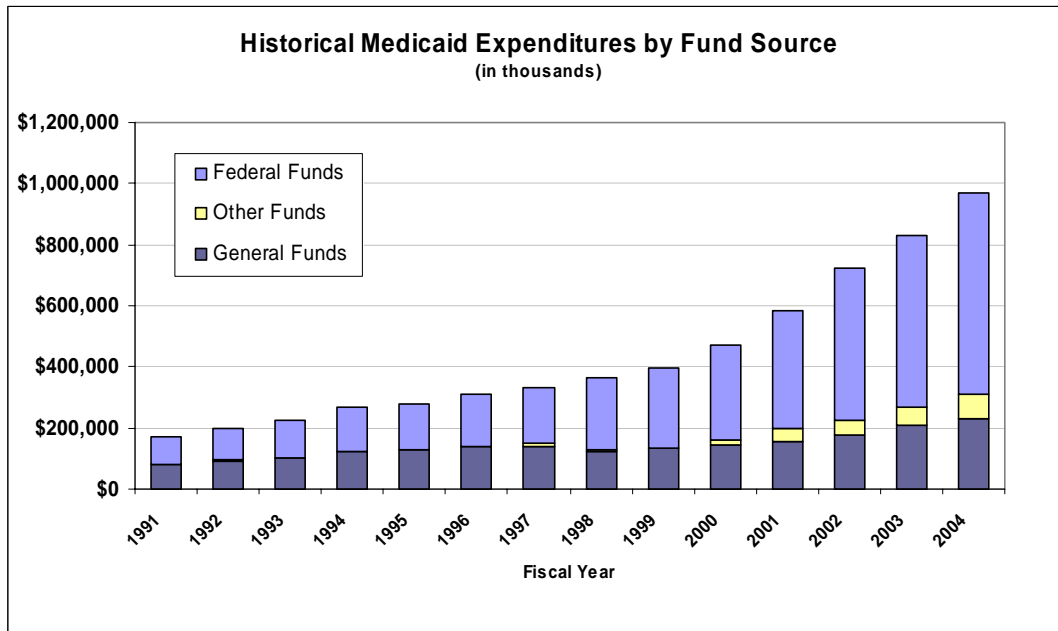
Medicaid is a joint federal-state cooperative entitlement program that provides medical care to eligible needy persons. Alaska's Medicaid program affects the service delivery of every division within the Department of Health and Social Services, as well as six other departments within the state government. Medicaid is jointly funded by state and federal dollars. A formula calculation determines the federal government's reimbursement rate for states' Medicaid expenses once each federal fiscal year. The base match rate is a minimum of 50%. Some services are reimbursed at higher rates, such as Denali Kid Care or those provided through tribal health corporations. In FY2004, the Medicaid program provided services to one-fifth of the state population and represented about one-sixth of the State's budget.

Medicaid Expenditures by Fund Source (in thousands)				
Fiscal Year	General Funds	Federal Funds	Other Funds	Total Funds
1991	\$80,094	\$91,990	\$1,796	\$173,880
1992	\$93,582	\$105,740	\$934	\$200,256
1993	\$103,447	\$119,602	\$708	\$223,757
1994	\$123,553	\$142,729	\$1,401	\$267,684
1995	\$127,125	\$149,589	\$1,792	\$278,506
1996	\$138,013	\$167,280	\$3,105	\$308,398
1997	\$141,517	\$183,355	\$6,568	\$331,440
1998	\$125,542	\$231,330	\$5,476	\$362,347
1999	\$131,523	\$261,316	\$2,851	\$395,690
2000	\$145,515	\$307,508	\$17,686	\$470,709
2001	\$152,791	\$387,432	\$43,671	\$583,894
2002	\$177,701	\$497,428	\$46,926	\$722,054
2003	\$211,077	\$558,581	\$58,460	\$828,117
2004	\$230,119	\$658,741	\$82,631	\$971,491
2005	\$224,683	\$666,673	\$78,374	\$969,730
2006	\$288,540	\$706,991	\$79,749	\$1,075,281
Source: Alaska Budget System. FY2004 and earlier are actual expenditures. FY2005 is the authorized amount. FY2006 is from the Governor's budget scenario.				

For FY2006, the program expects costs to increase 11%. Medicaid expenditures have been rising due to the increased cost of medical services and increased utilization of services by greater numbers of Alaskans. In the last ten years, total costs for Medicaid have risen at an average annual rate of 11%. One reason for increased expenditures is that the cost of health care is rising faster than the inflation rate. The overall inflation rate for Alaska in 2005 is an estimated 3.5%, while the inflation rate for health care is 5%. The number of Alaskans enrolled in Medicaid has risen 18% over the last five years. Demand for medical services has also climbed. The number of claims paid in FY2004 was 5% higher than in FY2003. Growth has been greatest in three categories: personal care services, residential psychiatric treatment centers, and hospitals.

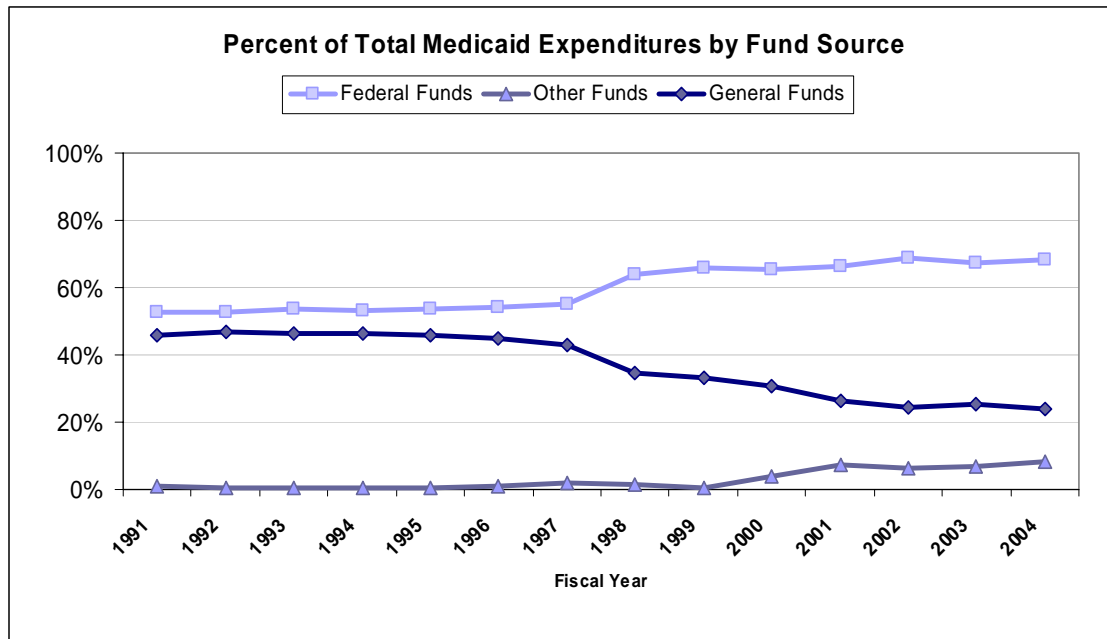


The Department has successfully responded to the impact ever-increasing expenditures have on limited state funds by minimizing the need for additional state general funds while still meeting its mission. Although costs, including total general funds, have grown yearly, federal dollars have covered the majority of the increases. The Department accomplished this by taking full advantage of enhanced match rates and federal refinancing programs.



The proportion of expenditures funded with general funds has steadily dropped since FY1998. General funds accounted for 35% of Medicaid funding in FY1998. In FY2004, general funds supported only 24% of the Medicaid program. A reversal of this trend could occur in FY2006 if the Federal match rate falls to 50%. The state has had a base match rate since FY2001 above the 50% minimum, peaking in FY2004 at 61.31%. The preliminary federal match rate for FY2006 is 50.04%, which is more than 11 points lower than in

FY2004. To offset this expected decrease in federal matching dollars, the Department will continue efforts to maximize federal reimbursement through refinancing programs and cost containment measures.



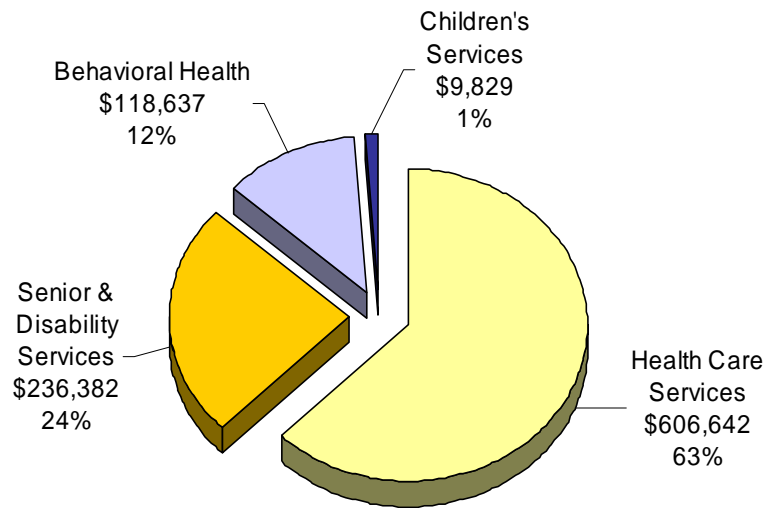
One of the refinancing measures the Department has implemented is the federal tribal health care refinancing program. From FY2003 to FY2004 tribal claims rose 13%. By increasing the proportion of Medicaid services provided to Alaska Natives through tribal health corporations, the State can claim 100% federal reimbursement for services that otherwise would have been matched at lower rates. For every dollar shifted to the tribal system, the State realizes 40 cents in general fund savings. The Department continues to work with tribal health corporations to maximize the benefits of this refinancing program.

Cost containment is another important method of holding down increases in Medicaid expenditures. The results of the cost containment measures are beginning to pay dividends. Further savings will be achieved as more initiatives begin to take root and bear the fruits of the Department's efforts. In the following chapters, each Division will describe details of their cost containment measures.

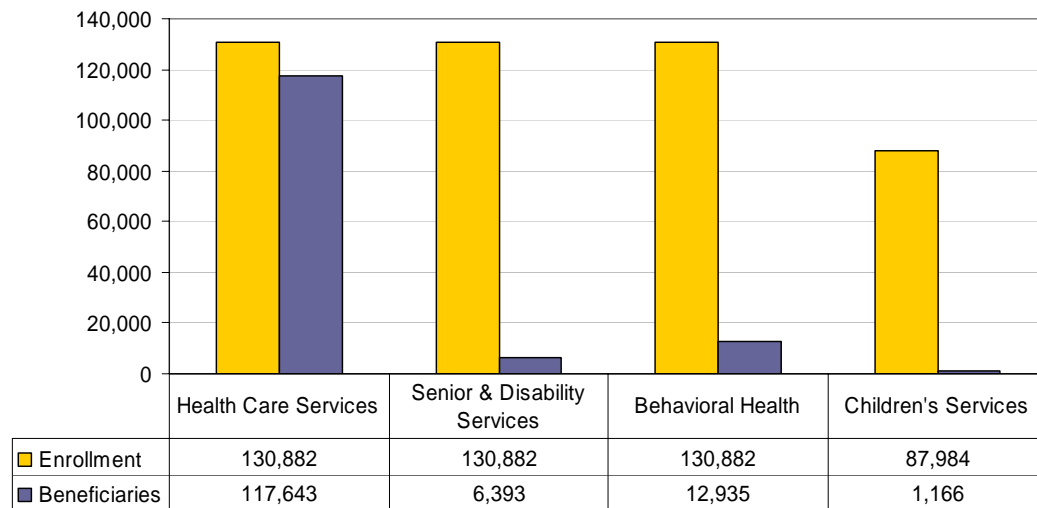
In FY2004, the Department split Medicaid into four divisions: Health Care Services, Behavioral Health Services, Senior and Disabilities Services, and Office of Children's Services. Prior to the reorganization, the Division of Medical Assistance provided all Medicaid services. Once enrolled, clients can receive any services for which they are eligible. Therefore, some enrollees will receive services through more than one division. For example, a client receiving mental health counseling through the Division of Behavioral Health could also get a flu shot through the Division of Health Care Services.

The majority of expenditures are in Health Care Services, which accounted for 63% of the costs in FY2004. Ninety-nine percent of enrollees received benefits through Health Care Services, 11% received benefits through Behavioral Health Services; Senior and Disabilities Services assisted 5%; and Children's Services provided care to 1% of the enrollees.

FY 2004 Medicaid Expenditures by Division
(in thousands)



FY 2004 Medicaid Enrollment and Beneficiaries by Division



Expenditure Category Comparisons

For purposes of historical comparisons we have broken out expenditures into five categories of funding:

Program Services

Includes both administration and delivery of direct services, such as public health nursing and social services, and the program management of entitlements and grants.

Formula Programs

Includes all programs with specific eligibility standards which guarantee a specific level of benefits for any qualified recipient: Alaska Temporary Assistance Program (ATAP), Adult Public Assistance, General Relief Assistance, Tribal Assistance Programs, Medicaid Services, Catastrophic and Chronic Illness Assistance, Child Care Benefits, Foster Care, and Subsidized Adoption and Guardianship.

Grants

Includes the components with major grants to other organizations or major contracts for service delivery, such as Residential Child Care, Energy Assistance Program, Community Health Grants, and various treatment programs.

Facilities

The department manages and operates 24-hour facilities or institutions. These include youth correctional facilities, Alaska Psychiatric Institution, and Pioneer Homes.

Administration

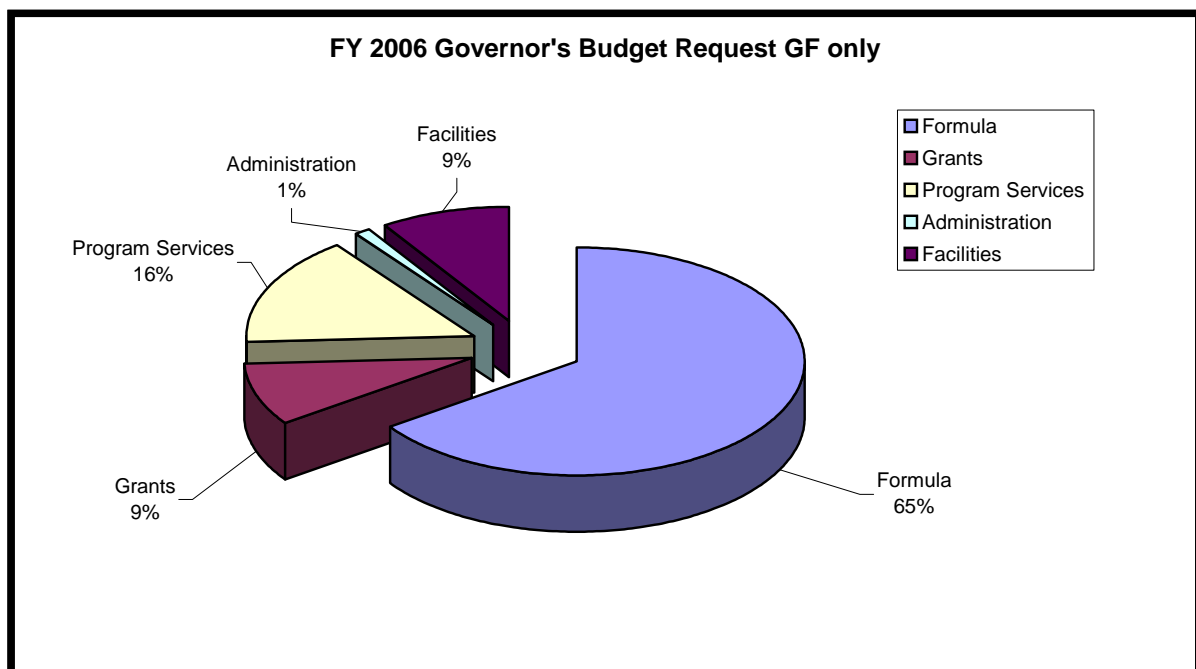
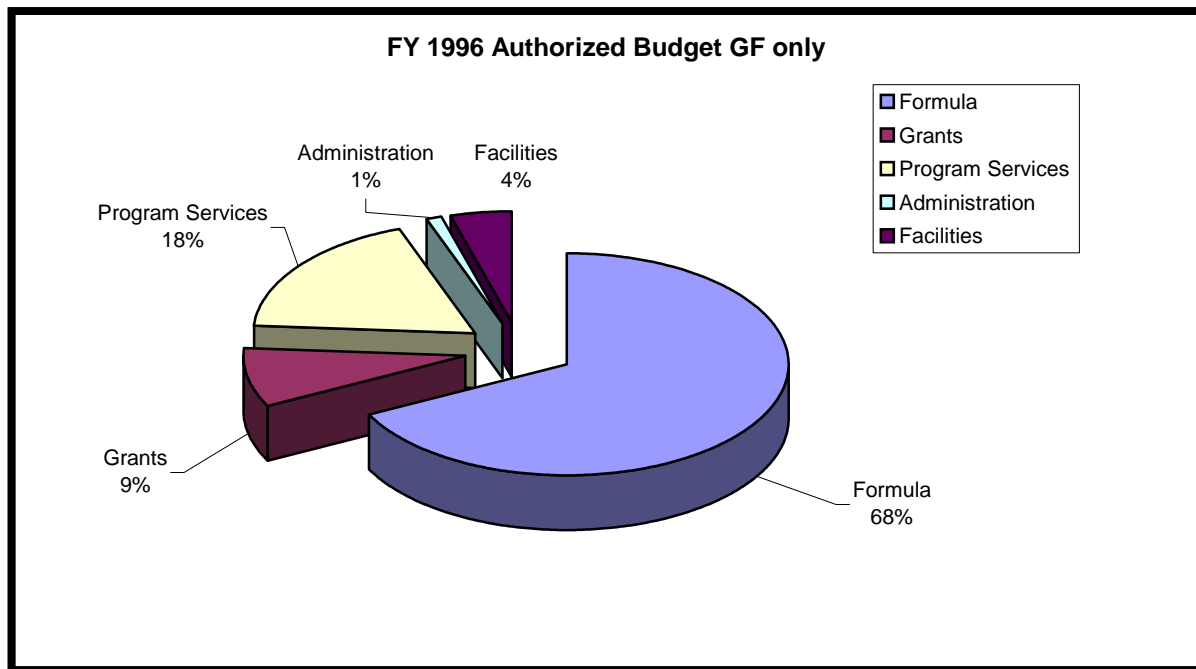
Administration includes departmental administrative oversight and support programs, including the Commissioner's Office, Administrative Services, and Boards and Commissions.

Budget Charts and Graphs

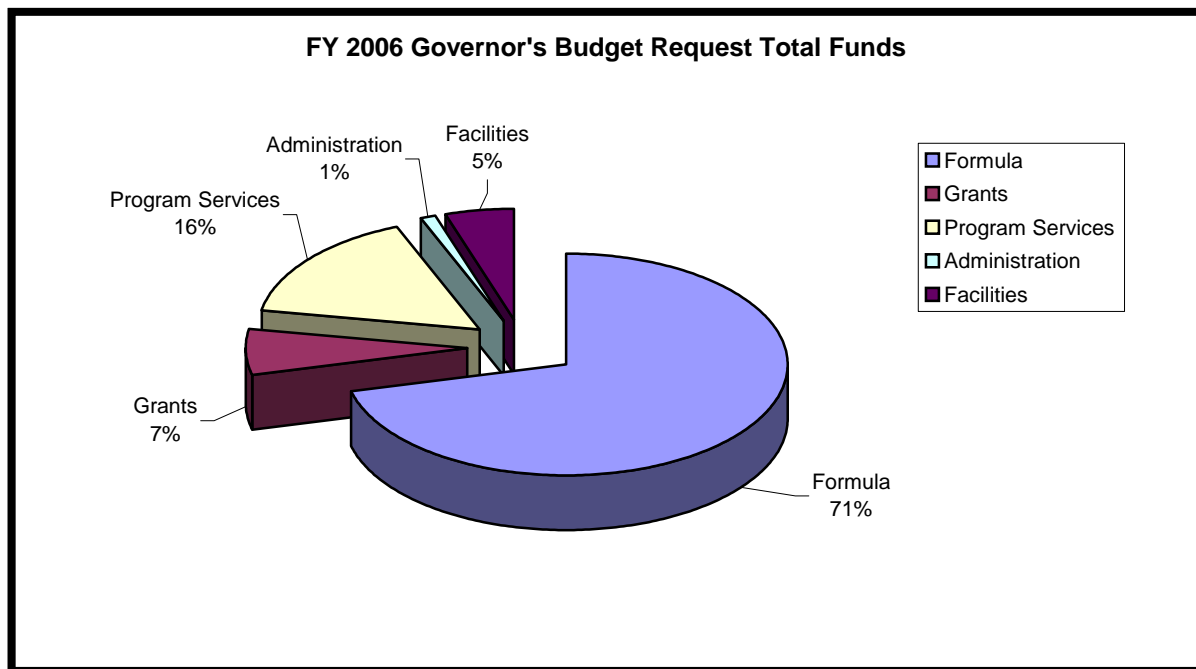
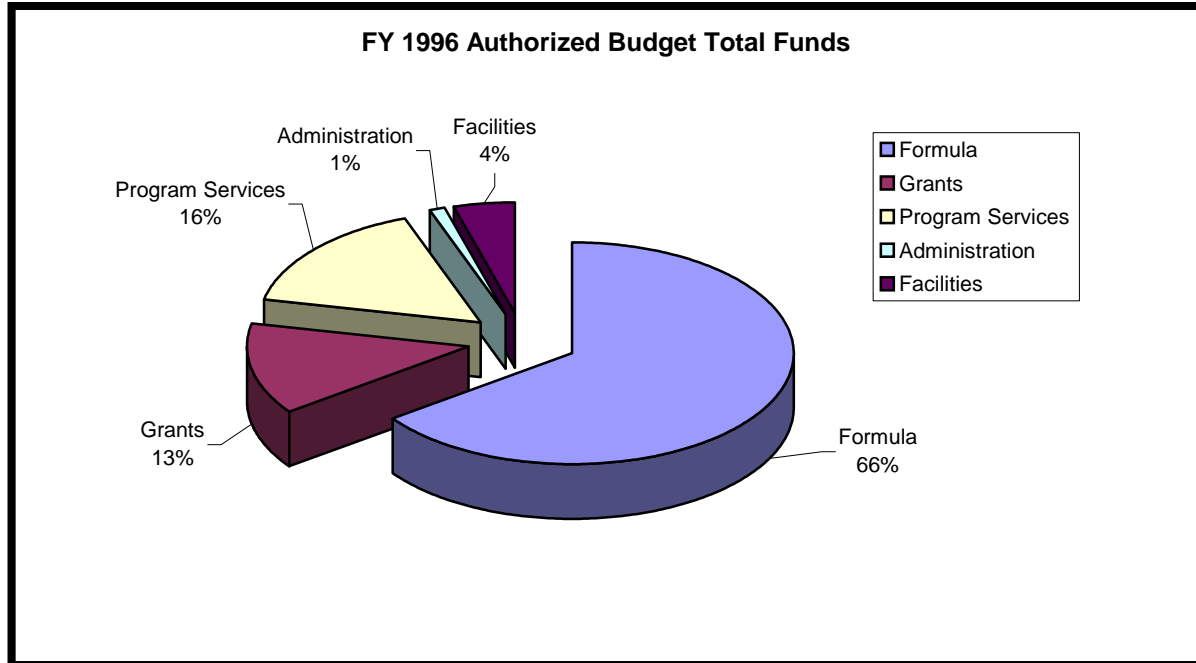
The Table below shows the comparison of total funds of FY2006 to FY1996.

	FY1996		FY2006		
	Total Funds	% of Total	Total Funds	% of Total	06 to 96 Change
Formula	561,119.2	65.1%	1,291,085.0	71.2%	130%
Grants	114,468.4	13.3%	121,051.1	6.7%	6%
Program Services	138,084.2	16.0%	291,557.6	16.1%	111%
Administration	10,509.3	1.2%	20,875.1	1.2%	99%
Facilities	37,298.0	4.3%	88,151.3	4.9%	136%
Total	861,479.1		1,812,720.1		110%

Expenditure Category Comparisons of General Fund Authorization

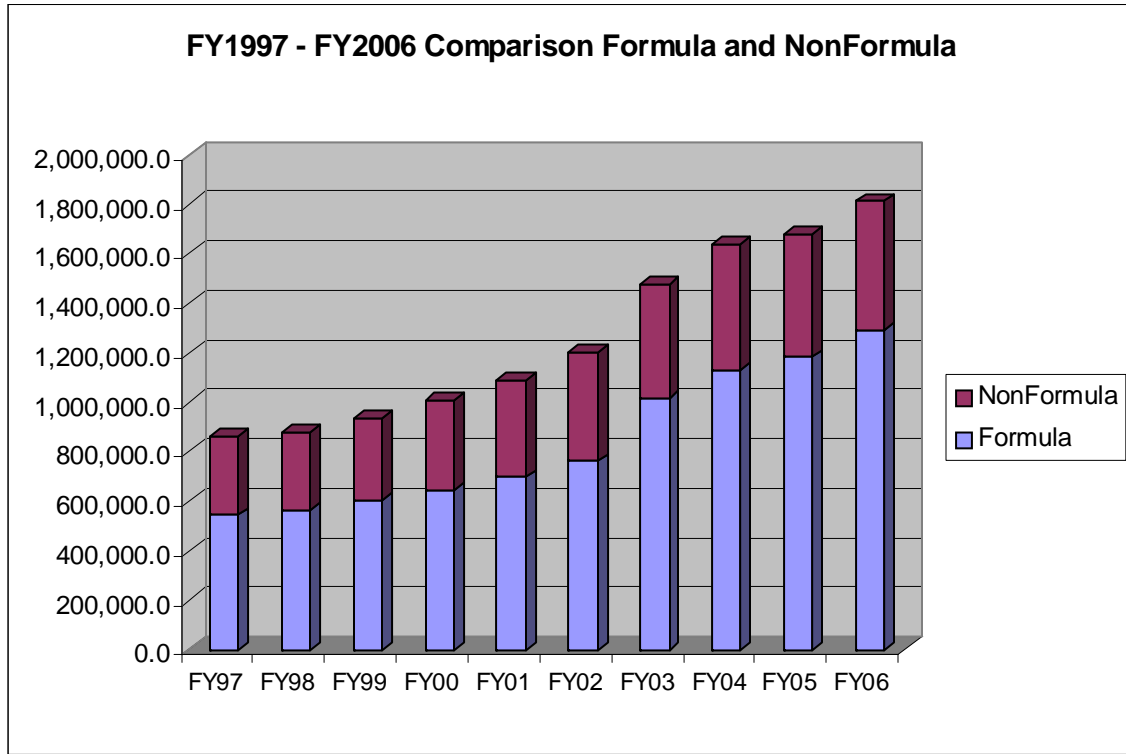


Expenditure Category Comparisons of Total Funds Authorization



As the previous charts show, formula programs make up more than half of the department's expenditures. Looking back to FY91, formula programs made up approximately 48% of the department's general fund budget in comparison to FY2006 of 65% of the general fund budget.

The chart below breaks out formula and nonformula categories of budget.



From FY1997 – FY2002 formula programs were fairly consistent between 63% - 65% of the department's overall budget. In FY2003 and FY2004 it was closer to 69% and FY2006 is 71% as reflected on the earlier charts. Medicaid is the largest formula program in the department, totaling 83% of the total Formula program category in the proposed FY2006 budget.

Alaska Pioneer Homes

Mission

Provide quality assisted living in a safe home environment.

Introduction

To meet this mission, the Division of Alaska Pioneer Homes provides residential and pharmaceutical services in Sitka, Fairbanks, Anchorage, Ketchikan, Palmer and Juneau to qualified Alaska seniors. The services are designed to maximize independence and quality of life by addressing the physical, emotional and spiritual needs of Pioneer Home residents. The Pioneer Home system served 551 Alaskan seniors during FY04 and as of June 30, 2004, 5,596 Alaskan seniors were on the active and inactive wait lists.

SeniorCare Program

In addition, the division processes applications and issues warrants to seniors qualifying for the SeniorCare Program. This program, established in FY05, replaced the Alaska Senior Assistance Program and provides financial assistance or prescription drug benefits to low-income seniors age 65 or older. Unless extended by the Legislature, the program expires January 1, 2006.

Core Services

- Administration of the six Pioneer Homes, the Pioneer Home Pharmacy and the SeniorCare Program.

Annual Statistical Summary of Services Provided in FY 2004 (Charts)

Medicaid Benefits and Providers

In FY 2005, due to a change in federal law and department policy, the Pioneer Homes became eligible to be licensed Medicaid providers and Pioneer Home residents became eligible to apply for Medicaid benefits. Currently, all six Pioneer Homes and the centralized Pioneer Home Pharmacy are licensed Medicaid providers. This significant change allows the division access to federal funding; thereby reducing the general funds required to operate the homes and subsidize residents who are not able to pay the full monthly charges. Although Alaska statute permits Medicaid to be made mandatory by regulation, implementation of Medicaid in the Pioneer Homes is presently a voluntary application process. As of November 2004, 61 percent of Pioneer Home residents were subsidized by the state through the division's Payment Assistance Program.

The following table shows the number of residents receiving assistance through the Pioneer Home Payment Assistance Program as of November 2004. It also shows the status of those residents who either receive or have applied for Medicaid benefits as of December 2004.

	Sitka	Fairbanks	Palmer	Anchorage	Ketchikan	Juneau	Total
Residents Receiving State Assistance	80	51	24	32	45	44	276
Medicaid Approved	9	5	6	3	4	1	28
In Process	4	3	5	8	3	3	26
Medicaid Denied	7	2		1	1		11
Medicaid Count	20	10	11	12	8	4	65

Current Levels of Service

In FY 2005, the five levels of service offered by the Pioneer Homes were replaced with three levels of service: Level I, Level II and Level III. These are described in the following table.

Level I Formerly Coordinated Services	Provision of housing, meals, emergency assistance and opportunities for recreation; level I services do not include staff assistance with activities of daily living, medication administration, or health-related services, although the pioneer home pharmacy may supply prescribed medications.
Level II Formerly Basic Assisted Living	Provision of housing, meals, emergency assistance, and, as stated in the resident's assisted living plan, staff assistance, including assistance with activities of daily living, medication administration, recreation and health-related services; assistance provided by a staff member includes supervision, reminders, and hands-on assistance, with the resident performing the majority of the effort; during the night shift, the resident is independent in performing activities of daily living and capable of self-supervision.
Level III Combined the Enhanced Assisted Living, Alzheimer's Disease & Related Disorders and Comprehensive Services care levels.	Provision of housing, meals, emergency assistance, and, as stated in the resident's assisted living plan, staff assistance, including assistance with activities of daily living, medication administration, recreation and health-related services; assistance provided by a staff member includes hands-on assistance, with the staff member performing the majority of the effort; the resident may receive assistance throughout a 24-hour day, including the provision of care in a transitional setting.

Applicants on the Pioneer Homes Active Wait List

Individuals apply for admission to an Alaska Pioneer Home by completing and submitting an application. An individual who is a resident of the state and has attained 65 years of age may submit an application. The date and time of the application's submission determines the order of admission into the Pioneer Home system. An applicant may choose to move onto the "active branch" of the wait list when they are willing and ready to move into a Pioneer Home within 30 days. Invitations to enter a Pioneer Home are only offered to those on the active branch of the wait list.

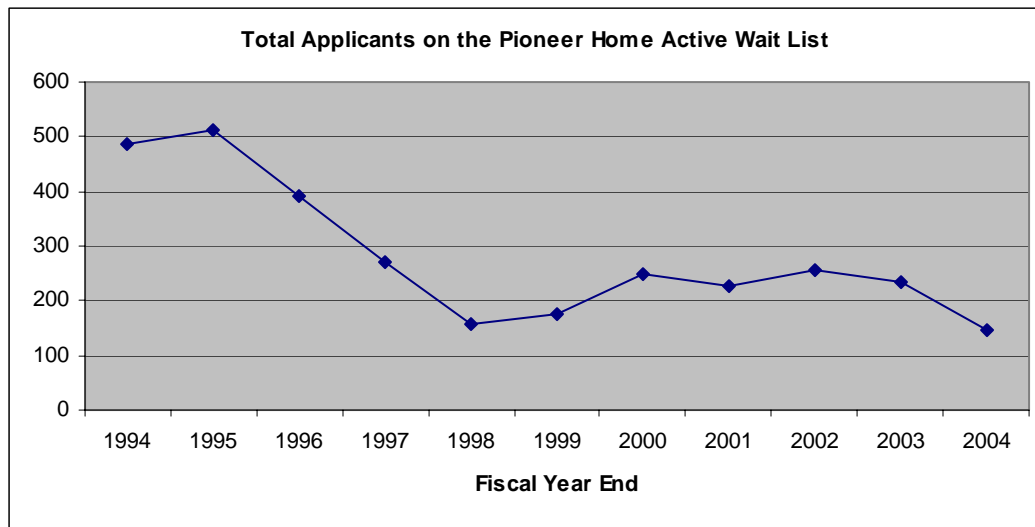
When a bed becomes vacant in a particular level of service, the applicant offered admission is the person whose name is listed on the active branch of the wait list as having the earliest date of application. The applicant will be admitted if the level of service the applicant requires matches the level of service of the available bed.

At present, most people on the active branch of the wait list require the services available in level III and there are few vacancies in that level.

Pioneer Home Applicants on the Active Wait List by Home

Fiscal Year End	Sitka	Fairbanks	Palmer	Anchorage	Ketchikan	Juneau	Total
1994	37	67	103	190	39	52	488
1995	50	84	111	153	55	58	511
1996	39	75	79	111	30	58	392
1997	34	39	55	58	24	59	269
1998	16	24	27	15	25	49	156
1999	14	24	26	44	18	51	177
2000	11	44	52	64	28	50	249
2001	6	44	44	46	34	53	227
2002	8	90	31	68	29	29	255
2003	15	89	12	56	27	36	235
2004	4	78	16	21	7	20	146
Nov 2004	5	98	25	45	12	29	214

For all homes, except Fairbanks, the number of applicants on the active wait list decreased substantially over the past 5 to 10 years. The system-wide decrease is shown in the table and chart below.



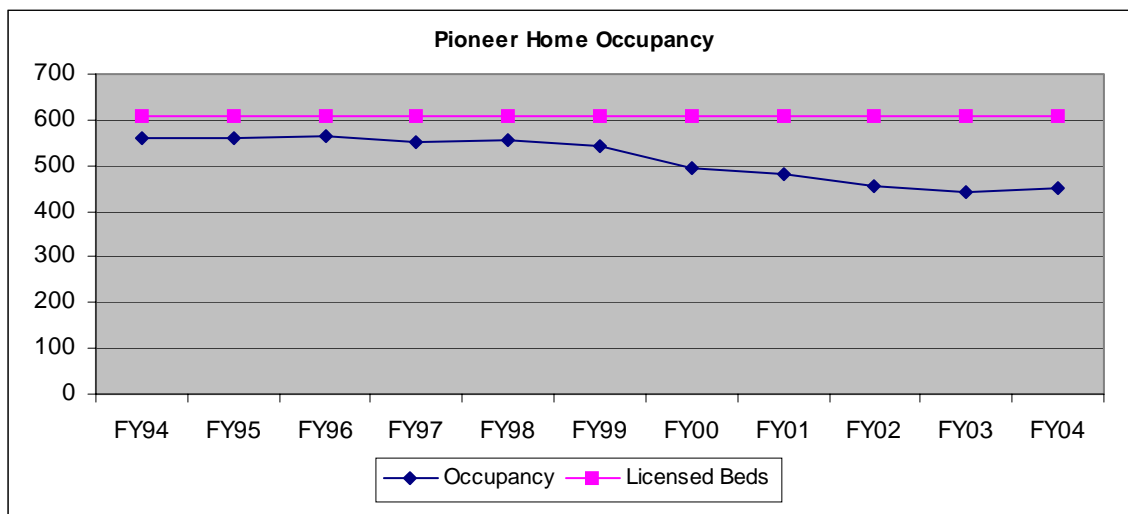
The following provides the composition of the Pioneer Homes wait list by facility as of November 2004.

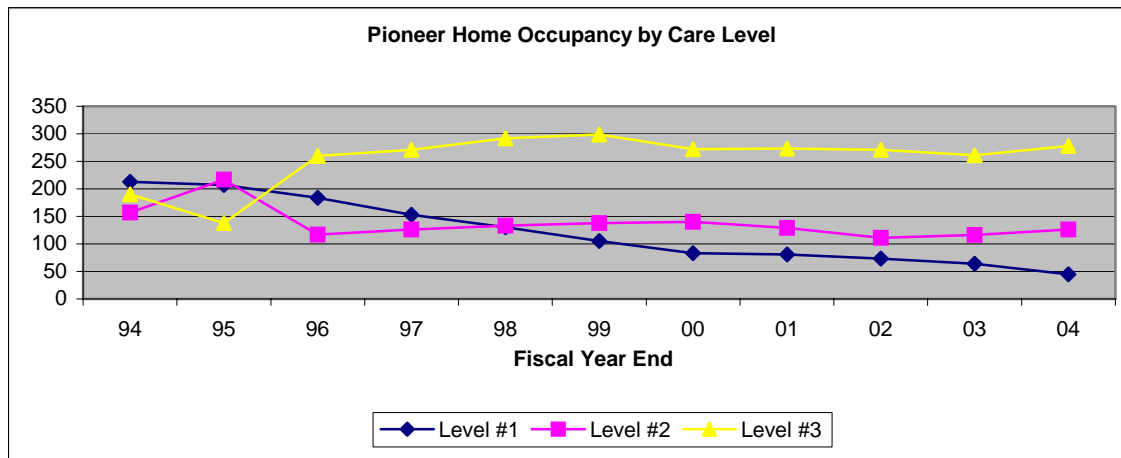
	Sitka	Fairbanks	Palmer	Anchorage	Ketchikan	Juneau	Total
Active Branch	5	98	25	45	12	29	214
Inactive Branch	737	893	986	1,435	519	898	5,468
Total	742	991	1,011	1,480	531	927	5,682
Number of Applicants Choosing More than One Home (Duplicates)							2,777
Number of Actual Applicants on Active Wait List							152
Number of Actual Applicants on Inactive Wait List							2,753

Historical Pioneer Home Occupancy

Occupancy of the Pioneer Homes has decreased from 95 percent to 75.5 percent between FY94 and FY04. The majority of vacancies are in the Level I care units and there is not a demand for these beds. With the family and community support services available to seniors, many remain in their own homes until their need for assistance is acute. Those on the Pioneer Home active wait list require Level II and Level III services and those level beds are occupied.

The following two graphs display 1) actual occupancy to the total number of licensed Pioneer Home beds and 2) the breakout of the occupancy using the current three care levels.





Current Pioneer Homes Occupancy

The table below shows the November 2004 occupancy figures for each of the six Pioneer Homes by level of service. Totals towards the bottom of the chart compare occupied beds and available beds to the licensed beds.

Service Level	Sitka	Fairbanks	Palmer	Anchorage	Ketchikan	Juneau	Total
Occupied/Assigned							
Level #1	10	9	1	20	3	3	46
Level #2	22	21	16	48	13	12	132
Level #3	34	59	48	82	30	28	281
Total	66	89	65	150	46	43	459
Licensed Beds	102	101	82	228	47	48	608
Occupied/Assigned	66	89	65	150	46	43	459
Non-Occupied	36	12	17	78	1	5	149
% Licensed Beds Filled/Assigned	64.7%	88.1%	79.3%	65.8%	97.9%	89.6%	75.5%

Pioneer Home Rate History

The chart below shows the history of monthly rates within the Pioneer Home system. The July 1996 rate increase was the first increase in the Pioneer Homes Advisory Board's seven year plan to move towards charging Pioneer Home residents the full cost of care. The final increase of the seven-year plan occurred in FY03 and there was no increase in FY04.

In FY05 the rate structure was again changed along with the change in service levels to reflect current utilization. This rate change resulted in a rate decrease for those residents formerly receiving Comprehensive Care Services and an increase for other levels of service. The division has not proposed adjusting the rates in FY06.

Assistance from Medicaid and the division's payment assistance program are available for residents whose income and resources are insufficient to pay the full monthly rate.

Effective Date	Coordinated Services	Basic Assisted Living	Enhanced Assisted Living	Alzheimer's & Dementia Related Disorders	Comprehensive Care
July 1996	\$934	\$1,289	\$1,553	\$1,579	\$1,864
July 1997	\$1,140	\$1,720	\$2,140	\$2,200	\$2,630
July 1998	\$1,340	\$2,150	\$2,730	\$2,815	\$3,395
July 1999	\$1,540	\$2,580	\$3,315	\$3,430	\$4,160
July 2000	\$1,735	\$3,005	\$3,905	\$4,040	\$4,920
July 2001	\$1,935	\$3,435	\$4,490	\$4,655	\$5,685
July 2002	\$2,135	\$3,865	\$5,080	\$5,270	\$6,450
July 2003	\$2,135	\$3,865	\$5,080	\$5,270	\$6,450

FY 2006 Proposed Rate Adjustments and Level of Care Consolidation

Effective Date	Level I	Level II	Level III
July 2004	\$2,240	\$4,060	\$5,880

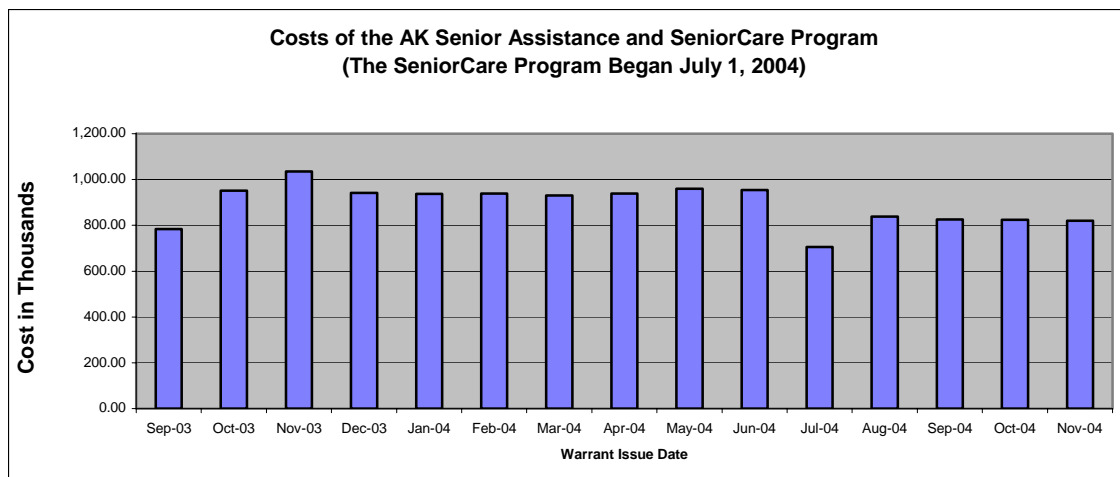
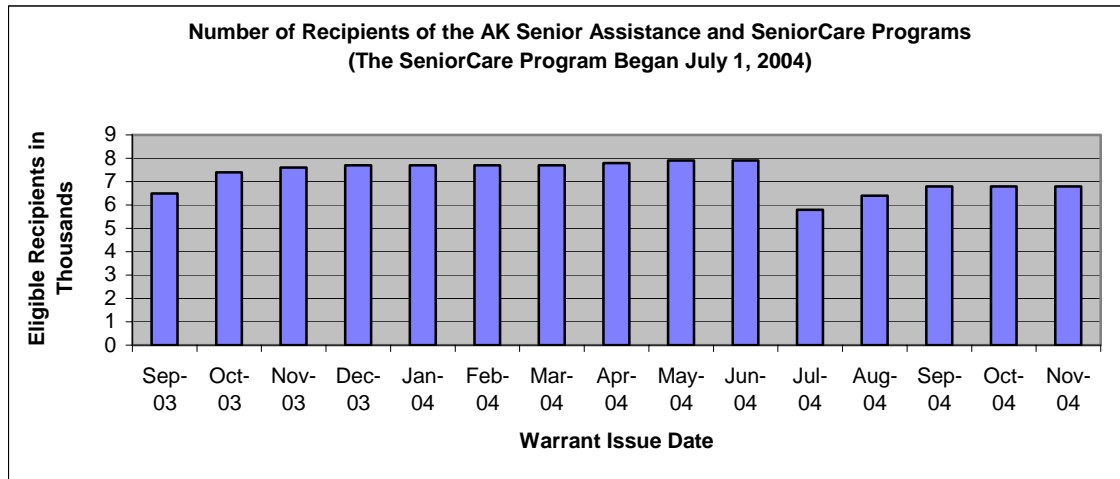
SeniorCare Program

The SeniorCare program, established in FY05, replaced the Alaska Senior Assistance Program. It provides financial assistance to eligible low-income seniors who are Alaska residents and 65 years of age or older. Eligible seniors may receive a monthly cash payment of \$120 or an annual prescription drug benefit of up to \$1,600. Unlike the Alaska Senior Assistance Program, the SeniorCare program is not retroactive. As of November 2004, 58 program recipients elected to receive the prescription drug benefit instead of the monthly cash payment. The SeniorCare program expires January 1, 2006, unless extended by the Legislature.

The following table shows the monthly cost of the Alaska Senior Assistance Program and the SeniorCare Program through November 2004.

	Month	Number of Recipients	Number of Warrants	Monthly Cost
AK Senior Assistance Program	Sep-03	6,501	6,531	\$783,720
	Oct-03	7,363	7,931	951,720
	Nov-03	7,644	8,621	1,034,520
	Dec-03	7,695	7,849	941,880
	Jan-04	7,695	7,810	937,200
	Feb-04	7,709	7,827	939,240
	Mar-04	7,678	7,758	930,960
	Apr-04	7,758	7,826	939,250
	May-04	7,917	7,985	959,120
	Jun-04	7,911	7,953	954,490
SeniorCare Program	Jul-04	5,805	5,860	705,150
	Aug-04	6,404	6,981	837,980
	Sep-04	6,828	6,881	825,720
	Oct-04	6,862	6,867	824,040
	Nov-04	6,831	6,832	819,840

The following charts show the eligible recipients and costs of the two programs.



List and description of Primary Programs and Statutory Responsibilities

SeniorCare Program 7AAC 47.800

The Alaska SeniorCare Programs provides financial assistance or prescription drug benefits to eligible low-income seniors who are Alaska residents and 65 years of age or older.

Pioneers Homes AS 47.55

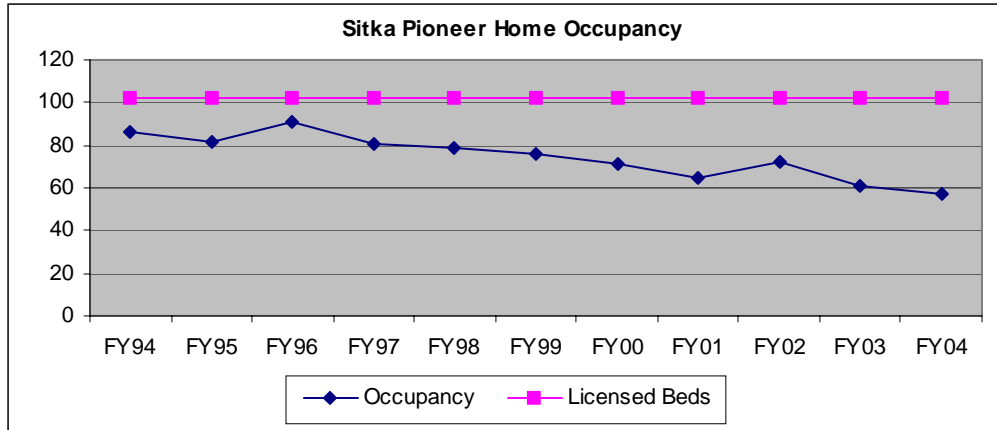
The state maintains and operates six Pioneer Homes. The history of services over time ranges from room and board to skilled nursing care, however, the focus today is on provision of residential supported living under “The Eden Alternative™” care concept within facilities licensed as assisted living homes. Any Alaskan age 65 or over, who has been an Alaskan resident for more than one year immediately preceding application for admission and is in need of aid is eligible for admission. The Pioneer Homes are primarily funded by resident payments (receipt supported services) and the general fund. However, a recent change in federal law and department policy allows Pioneer Home residents to receive Medicaid benefits and the Homes to be licensed as Medicaid providers. With this change federal funds (reflected in the budget as I/A) will also support the operating costs of the Pioneer Homes.

Pioneer Home residents pay the State a monthly rate based on their assessed level of care. If an individual’s income and assets are insufficient to pay the monthly rate, they may apply for and receive payment assistance through the program. The amount of payment assistance received by a resident is that portion of the monthly rate they are unable to pay.

The Eden Alternative™ is a well-developed concept and approach to elder care that emphasizes enlivening the environment to eliminate loneliness, helplessness, and boredom. Important facets of the approach include opportunities for interaction with others, plant life, animals, and children and assuring the maximum possible decision-making authority remains in the hands of the residents or in the hands of those closest to them.

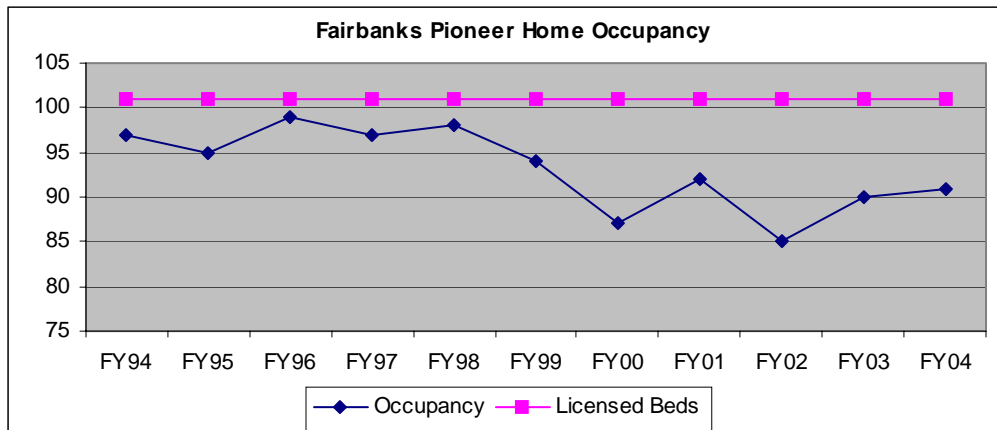
Sitka Pioneer Home

The Sitka Pioneer Home opened in 1913 when Alaska had been a Territory for just one year. The Home was established in the abandoned Sitka Marine Barracks building which was built in 1892. In 1934 a new main building, manager's house and nurses quarters were constructed. An addition was built on the north side of the building in 1954. The Sitka Pioneer Home is on the National Historic Register, which requires all renovations to adhere to stringent federal guidelines. Of the 102 licensed beds in the Sitka Pioneer Home, 66 were occupied as of November 2004.



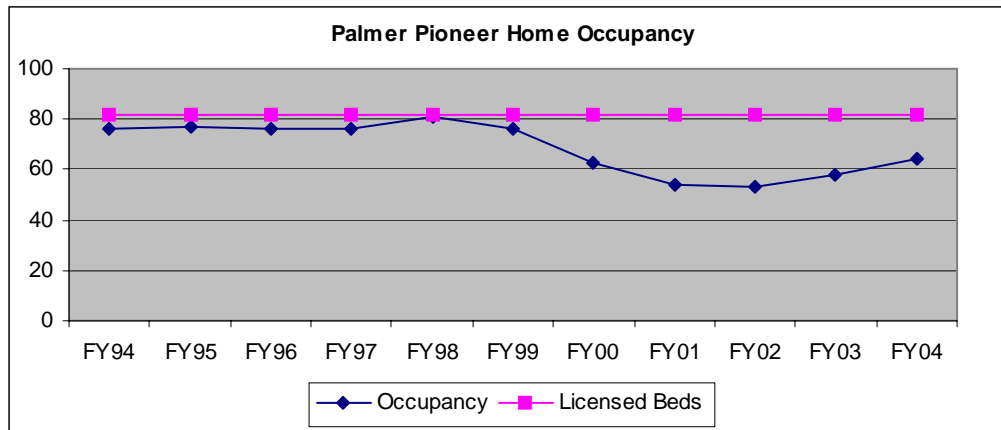
Fairbanks Pioneer Home

The Fairbanks Home was the second Pioneer Home built and began serving the community in 1967. The Fairbanks Home consistently maintains a high occupancy level. As of November 2004, 89 of the 101 licensed beds were occupied.



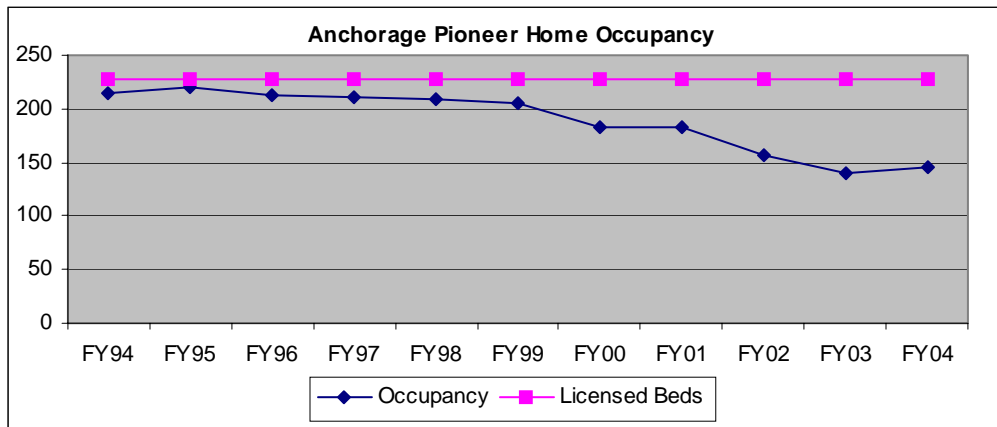
Palmer Pioneer Home

The Palmer Home, located in the Matanuska Valley, was built in 1971. It is a single level, ranch-style building and encompasses 11 acres of lawn and gardens. Within six years of opening, it became apparent more space was needed and an addition was built. As of November 2004, 65 of the 82 licensed beds were occupied.



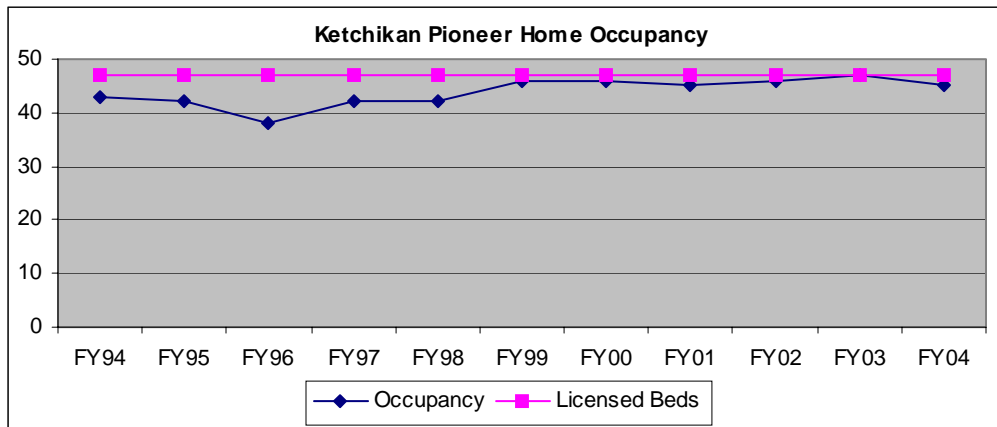
Anchorage Pioneer Home

The Anchorage Home is the largest Pioneer Home with 228 licensed beds. The Home was built in two stages. The five story south side was built in 1977 and the two-story north wing opened in 1982. As of November 2004, 148 beds were occupied.



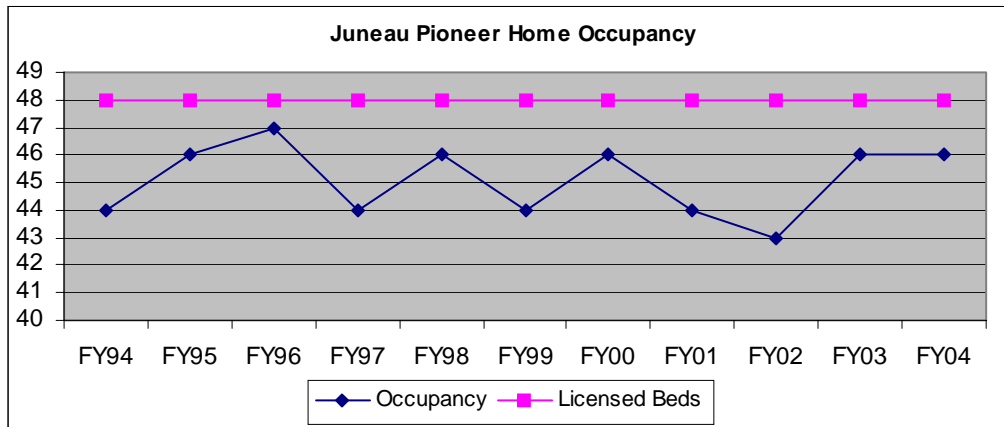
Ketchikan Pioneer Home

The doors of the Ketchikan Home opened to accept residents in November 1981. The resident rooms are located on the upper two floors of the three-story building. Ketchikan maintains a high census. In November, 43 of the 47 licensed beds were occupied.



Juneau Pioneer Home

The newest Pioneer Home opened in 1988 as a skilled nursing facility. Today, it is home to 43 Alaskan seniors as an Assisted Living Home and is licensed for 48 beds.



Explanation of FY 2006 Budget Changes

Alaskan Pioneer Homes (previously Alaska Longevity Programs)	2005	2006 Proposed	06 to 05 Change
General Funds	23,327.5	24,828.2	1,500.7
Federal Funds	1,506.8	25.0	(1,481.8)
Other Funds	12,614.8	16,919.5	4,304.7
Total	37,449.1	41,772.7	4,323.6

Alaska Pioneer Homes Management Component

Increment to budget previously unbudgeted RSA \$38.5, I/A

The Interim Assistance Screening Program, where staff from the AK Pioneer Homes provide the medical screening for APA-Interim Assistance clients when waiting for SSI determination, has been a success. In FY04 the Division of Public Assistance initiated a series of cost saving measures to reduce the upward trend in Interim Assistance costs. These cost saving strategies lowered Interim Assistance costs in FY04 to \$4,300.0 compared to \$4,700.0 for FY03. In FY05, APA increases in Interim Assistance are projected to be reduced to \$3,600.0. The increment fully funds the Alaska Pioneer Homes portion of the program.

Decrement in funding for the SeniorCare Program (\$174.2) Federal

The SeniorCare program, that provides financial assistance to low income seniors, expires January 1, 2006 unless extended by the Legislature. The division received \$184.5 in FY 2005 to establish the program. The FY06 budget includes a \$174.2 decrement to the funding used to administer the program. \$10.1 of the original appropriation remains in the budget to run the program in FY06.

Fund Change Federal Receipt Fund Source to I/A for Project Coordinator (\$69.2) Federal, \$69.2 I/A

The project coordinator is partially funded with federal receipts. These receipts will not be paid directly to the division, but will come to the division as inter-agency receipts from the Division of Senior and Disabilities Services.

Alaska Pioneer Homes

Increment to increase I/A from DJJ for Youth Facility Meal Preparation and Medication Distribution \$87.0 I/A

The Palmer and Ketchikan Pioneer Homes prepare and provide meals to the Mat-Su and Ketchikan Regional Youth Facilities, respectively. Additionally, the Pioneer Home Central Pharmacy dispenses medications for those housed in Johnson Youth Center. This increment brings on budget the previously unbudgeted RSAs with the Division of Juvenile Justice.

Increment for opening Veteran's Beds in the Palmer Pioneer Home \$82.5 GF

In FY04, legislation passed authorizing the conversion of the Palmer Pioneer Home to a State Veterans Home and the use of Veteran's benefits within the Pioneer Home system. The necessary construction that must be complete before the home becomes a certified Veteran's Home is anticipated to last through April 2006.

Once the Palmer home is certified, steps will be taken to fill the 18 currently vacant beds. In order to do so, additional staff is needed to care for the additional residents. The FY06 increment covers the personal service costs of five PFT and two PPT direct care staff, two food service workers and 2 housekeepers for the months of May and June 2006.

Fund Change General Fund to Federal Receipts from Certifying the Palmer Home as a Veteran's Home (\$25.0) GF, \$24.0 Federal

As stated above, legislation passed authorizing the use of Veteran's benefits within the Pioneer Home system. The budget includes a fund switch from GF to federal receipts. Once the home is certified, the state will bill the VA a daily rate for services provided to qualifying Veterans. This calculation is based on 16 qualifying veterans, a 95% occupancy rate and a billing period of two months. The daily rate of \$26.95 used for budget preparation was recently increased to \$27.19.

Increase I/A Authorization for Medicaid Provider Payments \$1,344.8 I/A

The FY05 budget included Medicaid receipt authorization of \$2,437.3 (\$1.4 million federal and \$1.0 million GF). This authorization was for a portion of the year. The FY06 I/A increment annualizes the federal receipt authority for the full year. The federal funds will come to the division as I/A receipts from the Division's of Health Care Services and Senior and Disabilities Services.

Pharmaceutical Costs and Receipts from Residents \$1,500.0 SDPR

The Pioneer Home central pharmacy serves the residents of all six Pioneer Homes. The FY06 budget includes an increment to cover the cost of the medications and the authority to receive resident payments to cover these costs.

Fund Change Federal Receipt Fund Source to I/A (\$1,438.2) Federal , \$1,438.2 I/A

Pioneer Home residents may now obtain Medicaid coverage and the Pioneer Homes are eligible to be licensed as Medicaid providers.

The FY 2005 budget included federal receipt authority for these payments. Since that budget was prepared, it was determined the division would not receive the Medicaid payments directly, but would receive them as I/A receipts from the Divisions of Health Care Services and Senior and Disabilities Services. The FY06 budget reflects this fund source switch.

Increment to increase Staffing for Safety and Security of Residents \$300.0 GF

The budget includes an increment to fund six certified nurse aid positions. The Fairbanks, Ketchikan and Juneau Pioneer Homes will each receive two positions. These homes maintain the highest occupancy levels. As of November 2004, the Fairbanks, Ketchikan and Juneau home occupancy rates were 91.8%, 97.9% and 89.6%, respectively.

Over the past ten years, the percentage of Pioneer Home residents requiring very little or no care has dropped from 37 to 10 percent while the percentage of residents requiring the highest level of care has risen from 26 to 61 percent. During this time staffing remained relatively stable. The result is that some shifts are not adequately staffed to provide the level

of resident safety required with the continually increasing acuity levels. This is especially true in the fully occupied homes named above.

Behavioral Health

Mission

Provide an integrated behavioral health system.

Introduction

The Division of Behavioral Health supports the provision of quality prevention and early intervention programs as well as treatment and recovery services. Based on a Continuous Quality Improvement approach using sound policy development, comprehensive planning and innovative program integrity activities, these programs, services and support structure help individuals, experiencing mental health problems and addictions to alcohol and other drugs, to become self sufficient and contributing members of society.

Core Services

- Conduct needs assessments, plan and evaluate services to ensure appropriate services are provided to those most in need and determine the extent to which services provided are effective;
- Maximize funding to enable the greatest number of individuals and families to receive care at the appropriate level of service;
- Award, disburse, and monitor grants, and provide essential programmatic oversight of community-based substance abuse and mental health prevention, early intervention, treatment and recovery programs and services provided by an array of non-profit organizations and contractors;
- Operate Alaska Psychiatric Institute (API), the state's only psychiatric hospital.

Annual Statistical Summary of Services Provided in FY 2004

The Division of Behavioral Health has limited historical client data and is currently developing the Alaska Automated Information Management System (AKAIMS) for improved data collection. With this new system in place the Division will be able to better track client outcomes in the alcohol, drug abuse, and mental health program areas. In spite of this limitation, the Division has been able to collect and analyze preliminary outcome data. As AKAIMS becomes fully implemented, more comprehensive data will be available for analysis. Alaska will be the first state to use this Web based management information system to collect integrated behavioral health information.

Medicaid

In FY04, general mental health services were purchased for the following Medicaid eligible individuals:

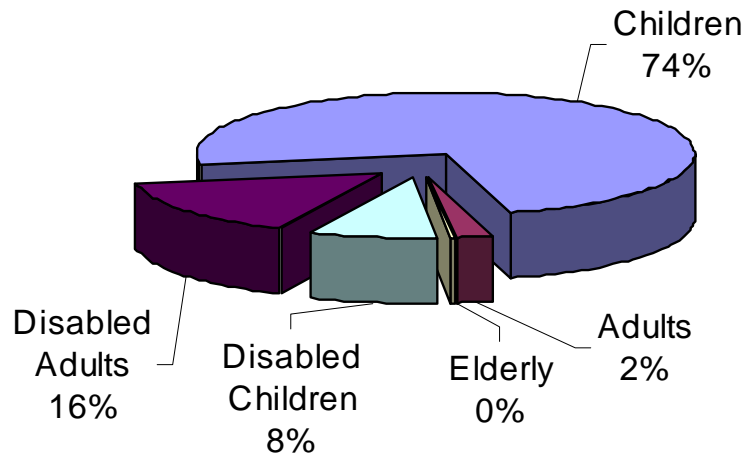
- œ 7,089 children
- œ 2,229 adults
- œ 206 elderly
- œ 378 disabled children, and
- œ 3,273 disabled adults.

Residential Psychiatric Treatment Centers (RPTC) served 677 children and 13 adults. Inpatient psychiatric hospitals treated 736 children and 18 adults/elderly.

Number of Medicaid Beneficiaries in FY 2004			
	General Mental Health Services	Inpatient Psychiatric Services	Residential Psychiatric Treatment Centers
Children	7,089	677	930
Adults	2,229	0	0
Elderly	2,069	5	0
Disabled Children	378	59	72
Disabled Adults	3,273	13	3
Source: MMIS data. The sum of the groups may not equal the total for the category because beneficiaries can receive services in multiple categories.			

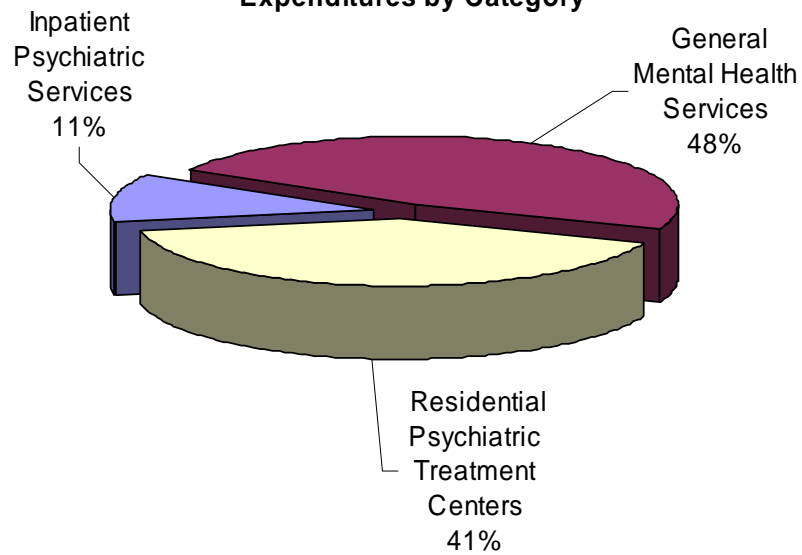
Nearly half of the expenditures for Behavioral Health Medicaid Services are for general mental health services. Four out of five beneficiaries are children.

**Behavioral Health Medicaid Services in FY 2004
Claim Payments by Group**



SSource: MMIS-JUCE data Nov. 2004

**Behavioral Health Medicaid Services in FY 2004
Expenditures by Category**



Source: AKSAS data.

List of Primary Programs and Statutory Responsibilities

The Alaska Fetal Alcohol Syndrome (FAS) Program AS 47.30.47-500, AS 47.37

This project seeks to prevent alcohol-related birth defects, increase diagnostic services in Alaska, improve the delivery of services to those individuals already affected by Fetal Alcohol Spectrum Disorders (FASD), and to evaluate the outcomes of statewide efforts. Services include training, public education, development of statewide diagnostic services, community support through grants and contracts, and the ongoing development of partnerships with other divisions, departments, community agencies, Native Health Corporations and parents/caregivers to decrease the prevalence of FAS and the secondary disabilities that occur when appropriate services are not provided.

Currently there are 14 trained community-based FASD diagnostic teams across Alaska from Kotzebue to Ketchikan and one specialty clinic located at the Alaska Psychiatric Institute (API). In the past four years, since developing the FAS Diagnostic Team Network, over 800 Alaskans have received diagnosis related to prenatal alcohol exposure. Diagnoses have been made in home and/or hub communities, with community-based service plans being developed for individuals over 3 years of age. Of those diagnoses, nearly 10% have received a diagnosis of FAS and 85% have received a diagnosis indicating significant organic brain damage resulting from prenatal alcohol exposure.

As the department continues with the momentum developed by the federally-funded Alaska FAS project, the division will focus on developing substance abuse prevention programs with clear outcomes, evidence-based research, and promising programs as identified by the federal Substance Abuse and Mental Health Services Administration (SAMHSA). To the extent possible, development will be encouraged within existing service delivery systems such as child protective services, juvenile justice, community mental health centers, residential treatment programs, job training centers, schools, and substance abuse treatment programs, to provide for long-term sustainability. Programs will be selected to represent regional, cultural, ethnic and discipline diversity.

Alcohol Safety Action Program (ASAP) AS 28.35.030, 47.30.470-500, AS 47.37

This program screens, refers and monitors both adult and juvenile offenders to ensure that they complete the substance abuse education or treatment program that is prescribed by the courts, Division of Motor Vehicles, and/or Division of Juvenile Justice. The ASAP is both a direct service provider in the Anchorage area and the oversight office for the Division's statewide ASAP grant programs. The program facilitates entry of all misdemeanor defendants ordered by the court into substance abuse education and/or treatment, monitors court requirements, and provides data regarding those defendants. During FY04, the state ASAP staff provided direct services in the Anchorage area and quality assurance, technical assistance, grant monitoring, planning and policy development, and data collection for their program and the six ASAP grantees. Additionally, the Division established the Domestic Violence Monitoring program with the Municipal Prosecutor's office in Anchorage.

Behavioral Health Medicaid Services AS 47.07

A combination of federal and matching state Medicaid funds support behavioral health services to Medicaid eligible individuals with a mental disorder or illness and/or a substance abuse disorder. These funds are managed by the Division to maximize financial support for mental health treatment and substance abuse intervention and treatment services for Medicaid eligible youth and adults, in both inpatient and outpatient settings.

Behavioral Health Grants AS 30.520-620, AS 47.30.655-915, AS 47.30.011-061, AS 47.30.470-500, AS 47.37

These grants are provided to reduce alcoholism and substance abuse and to treat mental illness by funding prevention, intervention and treatment services through local grantee organizations. They also provide funds for services to assist individuals who suffer from a traumatic brain injury to attain their highest possible functioning level. These publicly funded programs primarily serve those Alaskans without insurance or the ability to pay for services.

Prevention services delivered by the local providers include information, general education, alternative activities, problem identification and referral, community based processes, and environmental strategies.

In FY04, about 1,100 adults and 300 youth successfully completed outpatient substance abuse treatment at State funded programs. Over 550 adults and 60 youth successfully completed residential treatment at State funded programs.

Behavioral Health Administration AS 47.30.520-620, AS 47.30.665-915, AS 44.29.020, AS 44.29.210-230, AS 47.30.470-500, AS 47.37

This component supports the administrative operation of the Division and the programmatic oversight of all programs and services funded by the Division, with the exception of services delivered at API. The more than 200 million dollars granted, contracted or otherwise utilized by the Division to provide services to individuals and their families are managed, awarded, disbursed, and monitored by this component. All Divisional staff positions, except those employed by the Alaska Psychiatric Institute, are budgeted in this component. Component services include needs assessment, service system planning and policy development, programmatic oversight of behavioral health grantees' and contractor service provision, general administration, budget development and fiscal management, and development and management of the Alaska Automated Information Management System (AKAIMS), the Division's overall data system. Direct services include quality assurance, technical assistance and consultation.

Community Action Prevention & Intervention Grants AS 47.30.470-500, AS 47.37

The goal of this component is to ensure that effective community-based prevention and early intervention services are available statewide. These services strive to incorporate research-based strategies that demonstrate positive outcomes for individuals and communities. The intent is to provide the foundation funding for Alaska's effort to

prevent substance abuse within the State, with a focus on preventing youth from experimenting with and becoming addicted to alcohol and other drugs. Prevention services include information, general education, alternative activities, problem identification and referral, community based processes, and environmental strategies.

Rural Services and Suicide Prevention AS 47.30.470-500

Programs funded through this component include the Community-Based Suicide Prevention Program (CBSPP), which provides small grants directly to communities; and the Rural Human Services System Project (RHSSP) which provides funds to regional agencies to hire, train and supervise village-based counselors. These counselors provide integrated substance abuse and mental health outpatient, aftercare and support services as well as prevention and education activities. The RHSSP training program is administered by the University of Alaska, College of Rural Alaska and an additional part of the mission is to encourage rural Alaskans to pursue higher degrees in human services fields. Both the Community-Based Suicide Prevention Program and the Rural Human Services System Project focus on ensuring that needed services are both available in and culturally appropriate to the villages and towns of rural Alaska. CBSPP coordinators provide a wide range of prevention and intervention services. RHS trained village-based counselors provide a full range of paraprofessional services from screening to aftercare under the supervision of more advanced practitioners. They also provide prevention and education programs in their communities.

The 30 credit hour RHS training program is now offered at four rural campuses: Interior/Aleutian Campus at University of Alaska Fairbanks; Kuskokwim Campus in Bethel; Northwest Community Campus in Nome; and Chukchi Campus in Kotzebue. The program is also newly available at the University of Alaska Anchorage where it focuses on students who work or plan to work providing services to individuals who have relocated to the City of Anchorage from rural communities.

Psychiatric Emergency Services AS 47.30.520-620, AS 47.30.655-915, AS 47.30.011-061

This funding supports competitive grants to community mental health agencies for services intended to aid people in psychiatric crisis. The service array may include crisis intervention, brief therapeutic interventions for stabilization, and follow-up services. Specialized services such as outreach teams and residential crisis/respite services are also included. In addition, there were approximately 35,000 emergency services contacts in FY04. Many of these individuals received other services funded by the Division when not in crisis. The provision of psychiatric emergency services addresses the immediate needs of the individual in crisis and reduces the overall costs related to serving these individuals over the long-term. The division was awarded a Disaster Capacity Grant in FY04. The grant included a full-time planner/coordinator position to update previous disaster plans and bring the current plan into compliance with the Homeland Defense command structure. Coordination of disaster planning is integrated with Public Health and the hospital association.

Services for the Seriously Mentally Ill AS 47.30.520-620, AS 47.30.655-915, AS 47.30.011-061

Competitive grant funding is made available to community mental health agencies for an array of support services for adults with severe mental illnesses. Core services are assessment, psychotherapy, case management, and rehabilitative services. Specialized services include residential services, vocational services and drop-in centers. At the national level, mental health priority populations were redefined to insure that the most disabled consumers receive services no matter what their specific diagnosis.

Traditionally an underserved group, individuals with a traumatic brain injury (TBI) were added to those other diagnoses under the general federal category, "seriously mentally ill," and are thus eligible for certain federally funded services. Approximately 17,500 individuals are receiving mental health services at any one time.

Designated Evaluation and Treatment AS 47.30.520-620, AS 47.30.655-915, AS 47.30.011-061

As a payer-of-last resort, these funds are made available to designated local community and specialty hospitals for evaluation and treatment services for people under court-ordered commitment and to people who meet those criteria, but have agreed to accept services voluntarily in lieu of commitment. Using this funding, local facilities may provide 72-hour inpatient psychiatric evaluations, up to 4 days of crisis stabilization, and up to 40 days of inpatient or residential psychiatric treatment services close to the client's home, family and support system. Component funding also supports client and client escort travel to and from the hospital (from the client's home) and enhanced detoxification services for people who are intoxicated and expressing suicidal ideation.

Services for Severely Emotionally Disturbed Youth AS 47.30.520-620, AS 47.30.655-915, AS 47.30.011-061

This component provides competitive grant funding to community mental health agencies for a range of services for severely emotionally disturbed youth and their families, and for those youth who are at risk of becoming severely emotionally disturbed. The core services provided are assessment, psychotherapy, chemotherapy, case management and rehabilitation. Specialized services include individual skill building, day treatment, home-based therapy and residential services.

Alaska Psychiatric Institute AS 12.47.010-130, AS 47.30.655-915, AS 18.20.010-390, AS 08.86.010-230, AS 08.68.010-410, AS 08.64.010-380, AS 08.95.010-990, AS 08.84.010-190

API continues to face a nursing crisis due to unfilled positions that results from less than competitive nursing salaries and a difficult work environment. The need to staff five patient units at a safe and therapeutic level 24 hours a day, 7 days a week forces the use of significant periods of mandatory overtime. API management believes it is vitally necessary to greatly reduce or eliminate the use of all overtime because of staff burnout and safety concerns. API faces a number of challenges with wage and compensation relative to being competitive in the health care market. Foremost is the critical shortage of nurses in Alaska. Other job classifications require attention to enhance recruitment and retention. The Nurse Consultant job classification was updated in November of 2003.

Some position descriptions under review may be allocated to this revised job classification in FY05.

It has been extremely difficult for rural communities to provide the level of mental health services needed within their catchment areas, because of the geographical distances involved, lack of funding, and difficulty securing and retaining clinical staff. Tele-psychiatry offers a vehicle to link rural communities with mental health professional resources to which they would not otherwise have access. API is extending the clinical infrastructure of the hospital to reach remote areas with a Statewide Tele-Behavioral Health project.

API is seeing an increase in acuity in admitted patients with the less severe clients being served through the designated Single Point of Entry Program. Thus, API now has a different service population, one that is more severely disabled and requires more intensive treatment and services for a longer period of time per patient.

Explanation of FY06 Budget Changes

Behavioral Health	2005	2006 Proposed	06 to 05 Change
General Funds	74,089.0	88,711.7	14,622.7
Federal Funds	94,333.2	105,320.4	10,987.2
Other Funds	42,693.1	41,364.1	(1,329.0)
Total	211,115.3	235,396.2	24,280.9

Alaska Fetal Alcohol Syndrome Program

Funding source change (\$1,096.5 Federal), \$596.0 GF \$500.0 Interagency Receipts

To continue funding FASD diagnostic services no longer funded by 5-year federal grant, specifically, the portion of the diagnostic that is not reimbursable by Medicaid.

As we continue the momentum developed with the federally funded Alaska FAS Project, it is important to increase our service delivery capacities to provide improved services to those individuals affected by an Fetal Alcohol Spectrum Disorder (FASD), diagnosed with an FASD, or exhibiting behaviors similar to those associated with prenatal exposure to alcohol. Through this increment we will fund up to 10 community-based FASD improved services programs focusing on interventions and services such as respite care, case management, mental health services, substance abuse services, job training/vocational rehabilitation and services to work with women at risk for giving birth to a child with an FASD.

Alaska Safety Action Program

\$120.0 MHTAAR Increase Case Coordination and Support for Therapeutic Courts

These funds are based on the strategy and ongoing work of the court system and the case coordination support for the therapeutic courts through the Alcohol Safety Action Program. This increment redirects work from the Department of Corrections to DHSS.

Behavioral Health Medicaid Services

Projected Medicaid Program Growth for Behavioral Health - \$13,601.7 GF and \$11,733.2 Federal

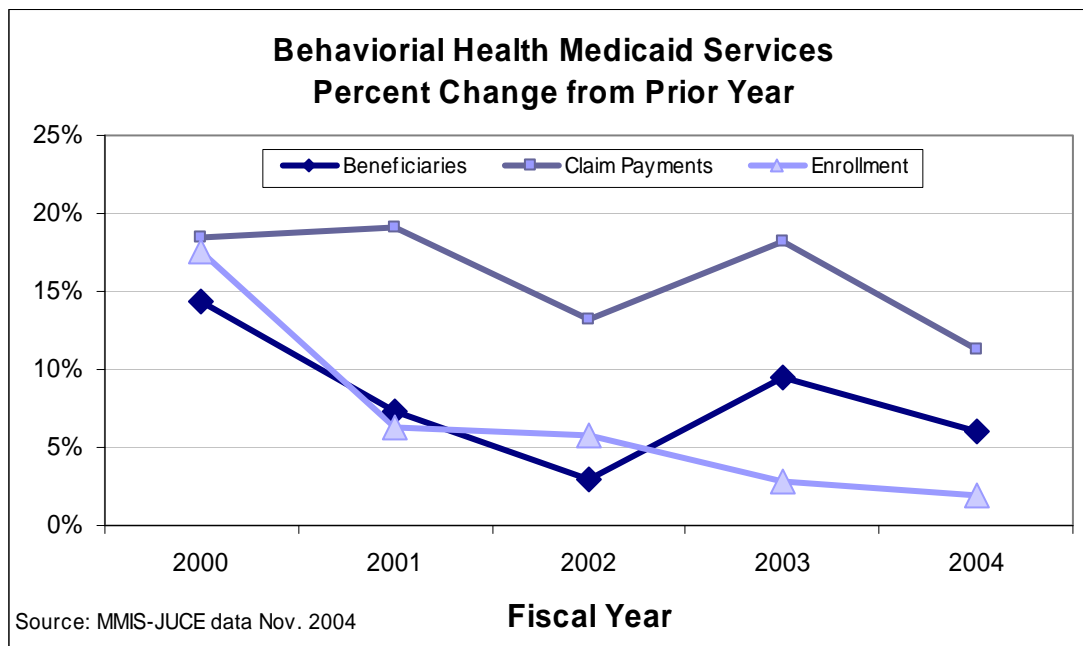
The Division is requesting an increment of \$13,806.2 in general funds and \$11,937.7 in federal funds for anticipated Behavioral Health Medicaid growth. Behavioral Health Medicaid Services experienced a 14% annual average rate of growth over the last five years. Cost increases are due to increases in both costs and number of clients served. The number of recipients rose an average of 9% annually while the cost-per-recipient rose 6% annually.

General mental health services account for 48% of Behavioral Health Medicaid expenditures. Residential Psychiatric Treatment Centers represent 41%, and Inpatient Psychiatric Service make up 11% of expenditures. While claim payments have grown, the rate at which they are

growing has slowed. Inpatient Psychiatric Services have been on a downward trend since FY 2000, although they increased slightly from FY 2003 to FY 2004.

Behavioral Health Medicaid Services Historical Utilization			
	Enrollment	Beneficiaries	Claim Payments (in thousands)
FY 1999	94,500	8,821	\$56,771
FY 2000	111,100	10,082	\$67,281
FY 2001	118,100	10,823	\$80,101
FY 2002	124,920	11,143	\$90,655
FY 2003	128,190	12,199	\$107,216
FY 2004	129,555	12,935	\$119,350

Source: MMIS data.



Increase Funding for Bring the Kids Home Assessment and Care Coordination - \$204.5 GF and \$204.5 Fed

There has been a steady increase in the number of custody and non-custody children and youth placed in out of state residential psychiatric treatment centers. In FY 2004 it was estimated that 733 children ranging in age from six to seventeen will be served out of state. The Child and Adolescent Needs Assessment revealed that Alaska Native children represent 49% of the population of children in custody and 22% of the non-custody children sent to out-of-state placements.

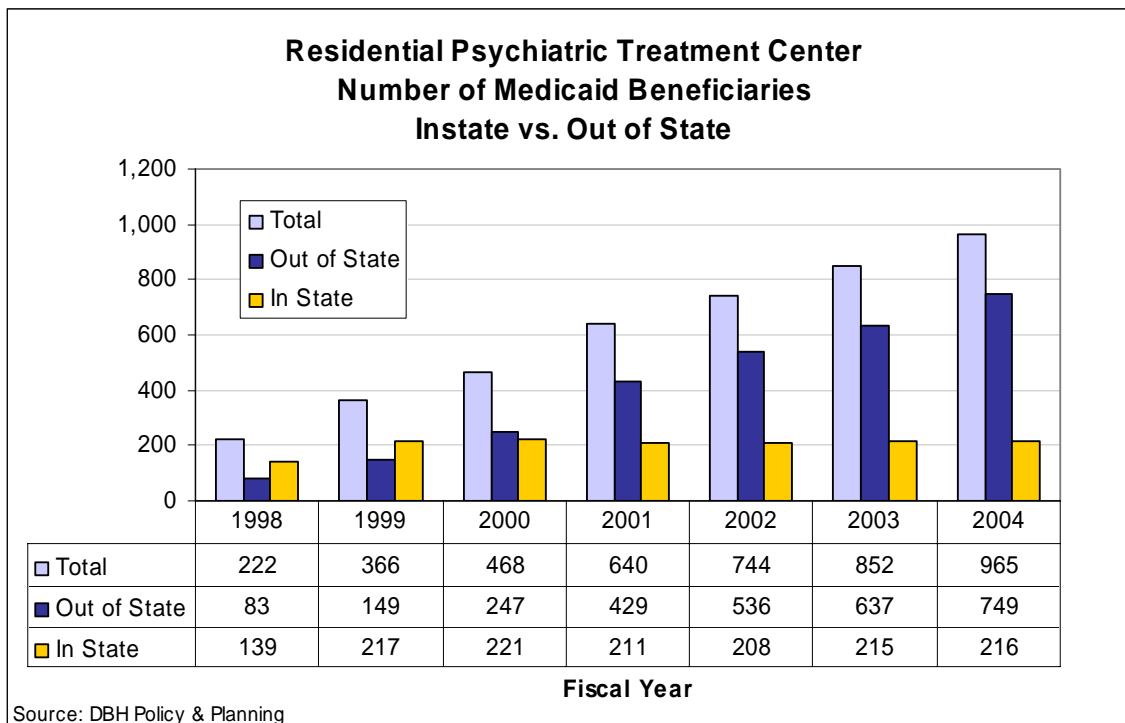
Bring The Kids Home is an initiative to return children with severe emotional disturbances from behavioral health care in out-of-state residential facilities to in-state or community-based care. It will reinvest funding that currently provides expensive distant care to in-state services

and capacity development to serve children closer to home, keep families more involved and intact, and more effectively carry out transitions and discharges.

Assessment and Care Coordination is the process for determining the level of care for both custody and non-custody children. The objectives are to divert children from avoidable and unnecessary out of state residential psychiatric treatment placements by linking families and children with alternative community-based care or other in-state services, and facilitating patient progress toward treatment objectives with an emphasis on discharge planning.

Funding for existing services has often been inadequate and has led to the lack of a fully implemented continuum of care in Alaska. With financial support, this initiative will focus on successfully building upon the existing infrastructure. This approach is intended to assist in the development of expanding existing programs to treat children and youth in their own community or instate.

This funding would establish regional community mental health care teams with individualized funding pools to implement care coordination and gate keeping for the Bring the Kids Home program.



Behavioral Health Grants

Substance Abuse Prevention/Intervention - Leadership Initiatives to Keep Children Alcohol-Free, \$500.0 I/A Receipts

This national initiative is focused on keeping children alcohol-free. The increment will fund training and leadership via community grants to partner with the state in a campaign to increase public awareness about the issues surrounding underage alcohol consumption.

The division has proposed a comprehensive \$6,000.0 substance abuse package for FY06. The total amount requested for this part of the package is \$2,000.0. A fiscal note is being prepared for the remaining \$1,500.0. The interagency receipts for this increment are TANF, which will be received from the Division of Public Assistance. An FY05/06 supplemental will be requested for the remaining \$1,500.0.

Substance Abuse Prevention/Intervention – Reach Out Now, \$500.0 I/A Receipts

Utilizing materials developed for this national model by the Leadership to Keep Children Alcohol Free organization, funds will be used to obtain a variety of educational materials using a wide range of technology. The programs will focus on a school-based educational approach with trained staff providing information and developing an ongoing dialogue with 11-12 year olds about alcohol and drugs.

The division has proposed a comprehensive \$6,000.0 substance abuse package for FY06. The total amount requested for this part of the package is \$1,500.0. A fiscal note is being prepared for the remaining \$1,000.0. The interagency receipts for this increment are TANF, which will be received from the Division of Public Assistance. An FY05/06 supplemental will be requested for the remaining \$1,000.0.

Substance Abuse Prevention/Intervention – Statewide Multimedia Education Campaign, \$500.0 I/A Receipts

Media campaigns will include messages from First Lady Nancy Murkowski, prosecutors, judges, educators, business leaders, substance abuse prevention specialists, and parents. The media campaigns are multi-tiered and geared toward both adult and youth audiences.

The division has proposed a comprehensive \$6,000.0 substance abuse package for FY06. The total amount requested for this part of the package is \$1,000.0. A fiscal note is being prepared for the remaining \$500.0. The interagency receipts for this increment are TANF, which will be received from the Division of Public Assistance. An FY05/06 supplemental will be requested for the remaining \$500.0.

Reduce excess I/A Receipt authority (\$5,500.0)

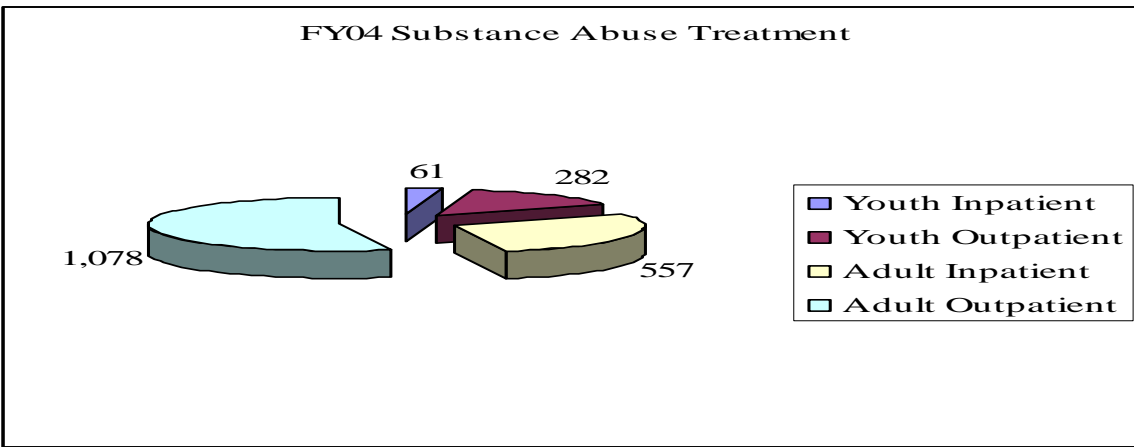
This decrement reduces I/A authority by \$5,500.0 for receipts that were not realized in FY04 and that will not be realized in FY05.

Transfer excess I/A authority to API (\$1,000.0) I/A

Authority is transferred to Alaska Psychiatric Institute in anticipation of increases for additional receipts from disproportionate share (DSH) funding in FY06.

Adjustments to MHTAAR Funding \$355.0 MHTAAR

This adjustment is the net result of decrements and increments to MHTAAR funding for FY06. There are two new projects funded by this adjustment: 1) Improve Capacity to Employ Involuntary Commitments; and 2) Provide Detoxification Alternatives.



Adjustments to MHTAAR funding (\$125.1)

This adjustment discontinues funding (\$175.1) for the Behavioral Health Quality Assurance Package in FY06 and provides \$50.0 funding for a new Technical Assistance for Medicaid Modifications project.

Psychiatric Emergency Services

Reduced funding for Rural Behavioral Health, (\$308.5) MHTAAR

Discontinues funding in FY06 for rural mental health consultation project.

Services to the Seriously Mentally Ill

Adjust funding for MHTAAR Projects, (\$29.0)

This decrement is the net adjustment for the following MHTAAR projects:

- (\$529.0) Decreases integrated support funding for Co-occurring disorders
- (\$200.0) Decreases funding consumer-directed programs and clubhouses
- \$250.0 Increases funding for rent subsidy for “bridge” model
- \$250.0 Increases funding for housing retention support services
- \$200.0 Increases funding for housing incentive grants

Seriously and Emotionally Disturbed Youth

Bring The Kids Home Community-Based Services, \$1,958.0 MHTAAR, \$135.0 Receipt Supported Services

Bring The Kids Home (BTKH) is an initiative to return children with severe emotional disturbances from behavioral health care in out-of-state residential facilities to in-state or community-based care. It will reinvest funding that currently provides expensive distant care to in-state services and capacity development to serve children closer to home, keep families more involved and intact, and more effectively carry out transitions and discharges.

The Bring the Kids Home initiative has three major long-term goals:

- 1) To build/develop and sustain the community-based and residential capacity to serve children with all intensities of need within the service delivery system in Alaska.

2) To develop an integrated seamless service system in Alaska that will allow children and youth to be served in the most culturally competent, least restrictive setting, closest to home as determined to be safe and appropriate.

3) Significantly reduce the existing numbers of children and youth in out-of-state care and gate-keep ensuring that the future use of out-of-state facilities is kept to a minimum.

Alaska Psychiatric Institute

Transfer in Excess Interagency Receipts authorization from Behavioral Health Grants, \$1,000.0 I/A Receipts

Increase authority to collect anticipated direct Medicaid and disproportionate share (DSH) payments.

Alaska Psychiatric Institute Plans for FY 2006 Move to new Facility

The staff of API plan to move into the new facility the first week of July 2005. After a year of planning to ensure patient safety, security, and transparency of clinical care during the move, staff are eager to make the transition to the new building. It will provide a brighter and more open spaciousness than the old facility. The new hospital will have approximately 88,000 square feet.

While there is no increment requested for the move into the new facility in the DHSS FY06 Operating Budget, there is a request in the FY06 Capital Budget for \$250.0.

Children's Services

Mission

Promote stronger families, safer children.

Vision

Stronger families, safer children!

Introduction

The Office of Children's Services works in partnership with families and communities to support the well being of Alaska's children and youth. Services will enhance families' capacities to give their children a healthy start, to provide them with safe and permanent homes, to maintain cultural connections and to help them realize their potential.

The Office of Children's Services reflects the strengths of the past and the opportunities for the future. Formerly known as the Division of Family and Youth Services, OCS reorganized in July 2003, bringing together under one roof four programs that support children, youth and families. In the past, we focused mainly on child protection and permanency. Now our mandate also includes Healthy Families Alaska, Family Nutrition Services, and Infant Learning Program. Standing shoulder to shoulder, we are committed to the well being of Alaska's families, celebrating their resilience and our own as we embark on a voyage of change.

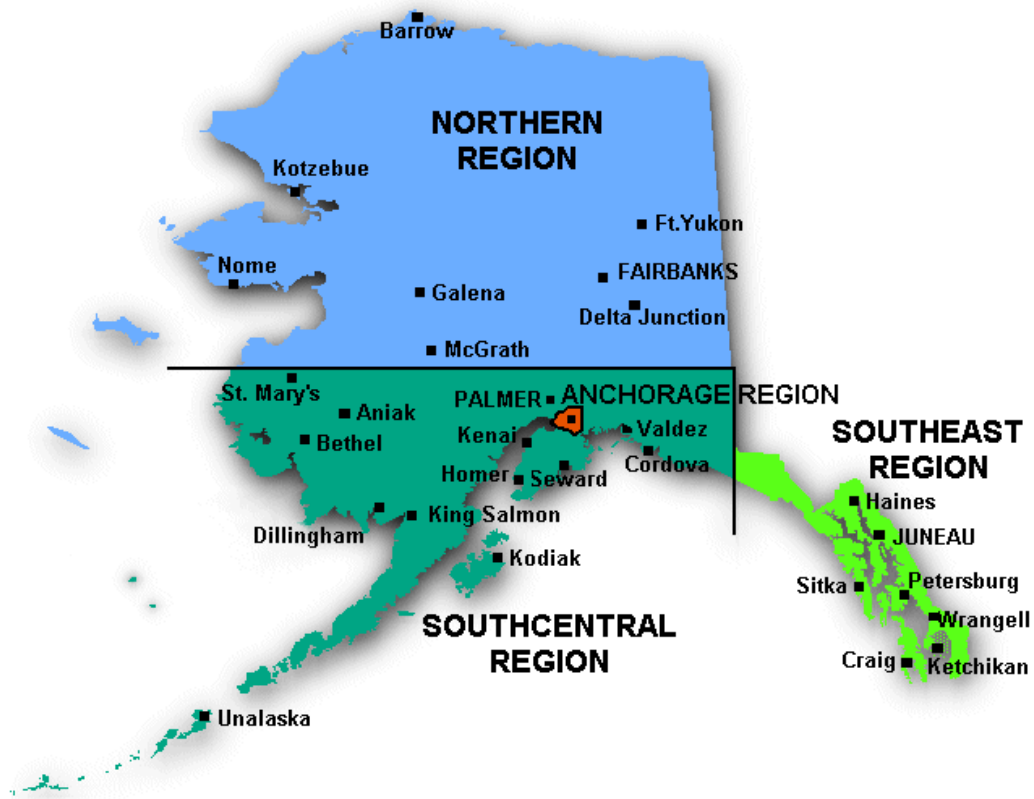
To meet its mission, the OCS provides:

- Family Nutrition Services to promote optimal health habits through education, breastfeeding support, obesity prevention, and supplemental food packages;
- Early, home-based intervention and planning services (Infant Learning Program) to children at risk for developmental delays and their families;
- Development and coordination of community services to strengthen and support families;
- Public awareness and education about reportable harm;
- Child Protective Services to prevent and remedy child abuse and neglect through the investigation of reports of harm and placement with relatives or foster families for those children that may not be safe in their own homes;
- Family Preservation and Support to help, when appropriate, a child remain safely with their families;
- Coordination of home visitation to families designed to prevent child abuse and neglect through Healthy Families Alaska;
- Recruitment, training, and licensing of foster and adoptive families;
- Placement options to preserve a child's connection to family, culture, and community that will also meet physical and mental health needs;
- Services that support permanency for children when a return home is not possible;

- Behavioral rehabilitation services for youth who need mental health care; and
- Services that prepare adolescents in custody so that they have the ability to achieve success at the age of independence.

The OCS supports 28 local offices in Alaska that deliver child welfare services. These local offices are managed and supported regionally:

- 1) Northern Regional Office (NRO) located in Fairbanks responsible for Nome, Kotzebue, Barrow, and surrounding towns and villages;
- 2) Southcentral Regional Office (SCRO) located in Wasilla responsible for the Mat-Su Valley, Kenai Peninsula, Bethel, Valdez, Kodiak, Dillingham, Aleutian Islands, and surrounding areas;
- 3) Anchorage Regional Office (ARO) responsible for Anchorage; and
- 4) Southeastern Regional Office (SERO) in Juneau responsible for Juneau, Haines, Sitka, Petersburg, Ketchikan and surrounding communities.



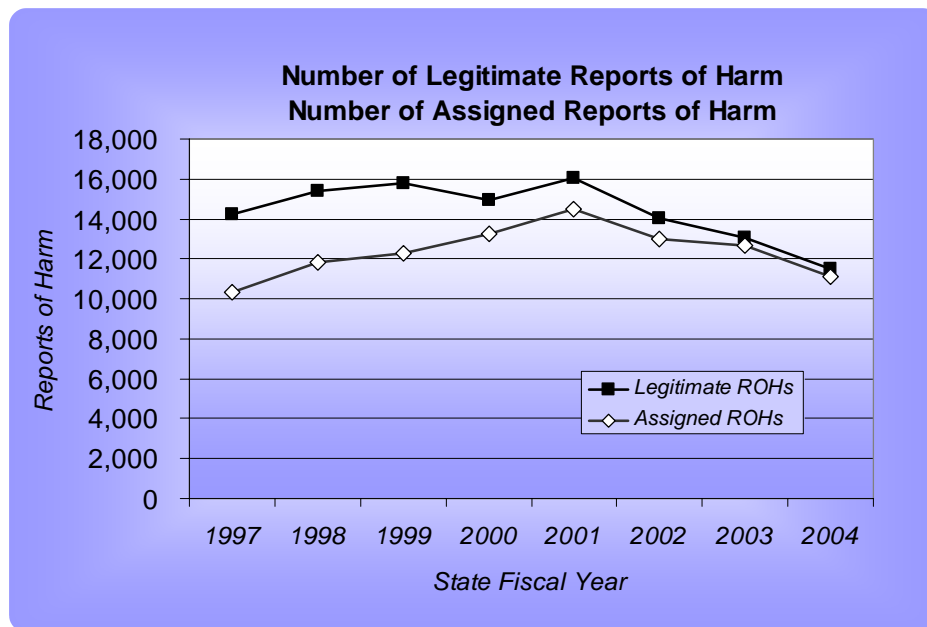
Annual Statistical Summary of Services Provided in FY 2004

During FY 2004 the Office of Children's Services (OCS) investigated more than 11,500 legitimate reports of harm. On average, forty percent of reports are substantiated.

Legitimate Reports of Harm; Assigned Reports of Harm

Front Line Social Workers deliver services to carry out Alaska's legal mandates to prevent and remedy the abuse, neglect, and exploitation of our children. This significant responsibility includes the assessment of all allegations of abuse and the assignment of legitimate reports of harm. The following chart illustrates continuing efforts by the state to close the gap between those reports of harm that are within jurisdiction and that include enough information to locate a family and those reports of harm that are assigned to OCS staff for investigation or referred to the Dual Track program, a Tribal organization, or military agency. The Dual Track program utilizes the services of the community in Wasilla, Anchorage, and Kotzebue to investigate low-level reports of harm within their respective areas. The agencies contact families, develop assessments, and provide services where deemed necessary. Agencies are required to report back to the OCS regarding contacts and services provided.

Chart #1

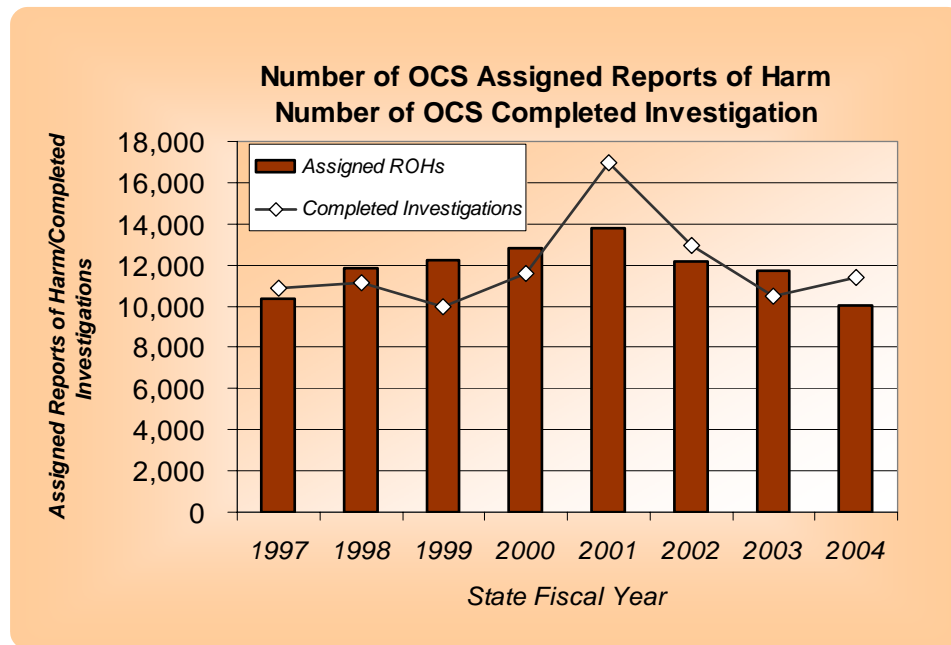


	1997	1998	1999	2000	2001	2002	2003	2004
Legitimate ROHs	14,216	15,417	15,813	14,960	16,026	14,031	13,063	11,520
Assigned ROHs	10,363	11,845	12,268	13,253	14,510	12,984	12,671	11,102
Percent Assigned	73%	77%	78%	89%	91%	93%	97%	96%

Number of Reports of Harm Assigned to OCS Staff for Investigation; Number of Completed Investigations

The following chart shows the number of Reports of Harm that are assigned to OCS staff for investigation and the number of investigations that are completed. Many investigations are completed in a fiscal year other than the fiscal year in which it was assigned as shown for FY 1997, 2001, 2002, and 2004.

Chart #2



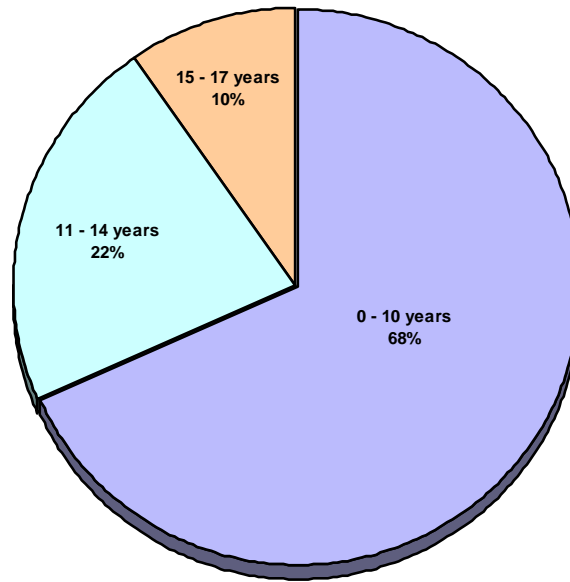
	1997	1998	1999	2000	2001	2002	2003	2004
Assigned ROHs	10,363	11,845	12,215	12,834	13,796	12,154	11,695	10,017
Completed Investigations	10,862	11,119	9,999	11,610	16,992	12,972	10,499	11,365

Total Reports of Harm by Child's Age

The following chart breaks down the percentage of the total number of Reports of Harm received in Alaska by age group. Infants and children through the age of 10 years are clearly at greater risk than those entering their teen years.

Chart #3

Average Percent of Reports of Harm by Child's Age



	1997	1998	1999	2000	2001	2002	2003	2004
0 - 10 years	67.2%	68.7%	69.2%	68.0%	68.6%	67.0%	66.9%	67.0%
11 - 14 years	22.4%	21.5%	21.0%	21.3%	22.1%	23.1%	23.0%	23.0%
15 - 17 years	9.5%	9.8%	9.5%	9.9%	9.7%	9.9%	10.1%	10.0%
Total	99.1%	100.0%	99.7%	99.2%	100.4%	100.0%	100.0%	100.0%

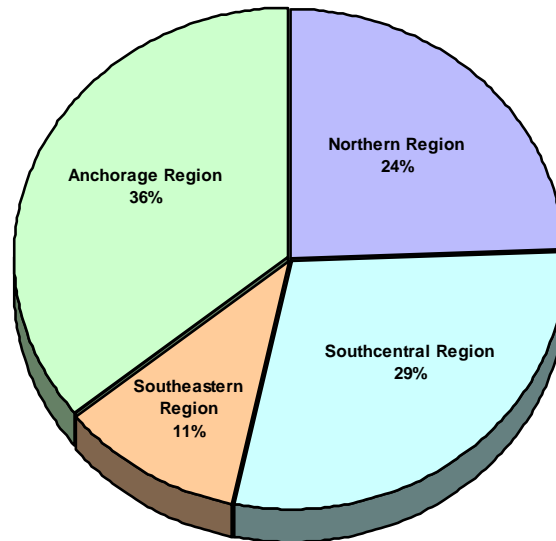
Note: If multiple reports for a child were received by the OCS, each report is recorded in the total.

Total Reports of Harm by Region

Reports of harm are received by, or directed to, one of the state's four regional offices: Northern Regional Office (NRO), Southcentral Regional Office (SCRO), Anchorage Regional Office (ARO), and the Southeast Regional Office (SERO). The chart below shows the average historical percent of total reports of harm received by each region. The table provides annual percentages of total reports of harm received by each region.

Chart #4

**Average Percent of Reports of Harm by Regional Office
Fiscal Years 1997 through 2004**

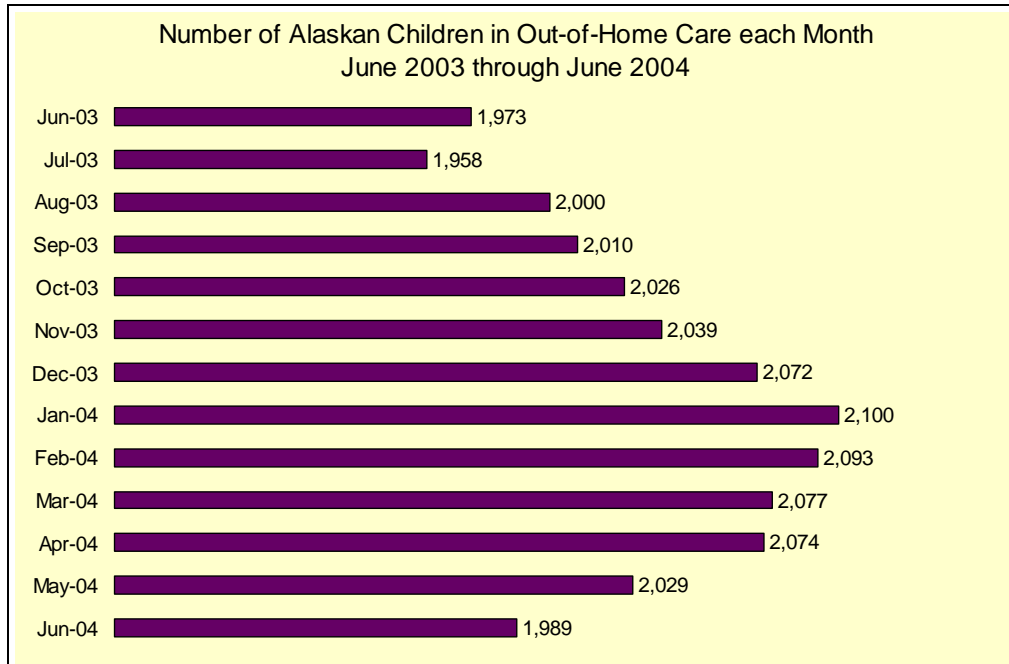


	1997	1998	1999	2000	2001	2002	2003	2004
Northern Region	23.4%	26.5%	24.8%	24.4%	25.2%	26.0%	23.1%	21.2%
Southcentral Region	29.1%	26.5%	27.0%	25.9%	28.8%	31.8%	31.0%	31.1%
Southeastern Region	11.0%	10.7%	11.8%	10.6%	9.5%	11.0%	12.2%	11.5%
Anchorage Region	36.5%	36.3%	36.4%	39.1%	36.5%	31.2%	33.7%	36.1%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Number of Children in Out-of-Placement and Children in Out-of-Home Care by Placement Category

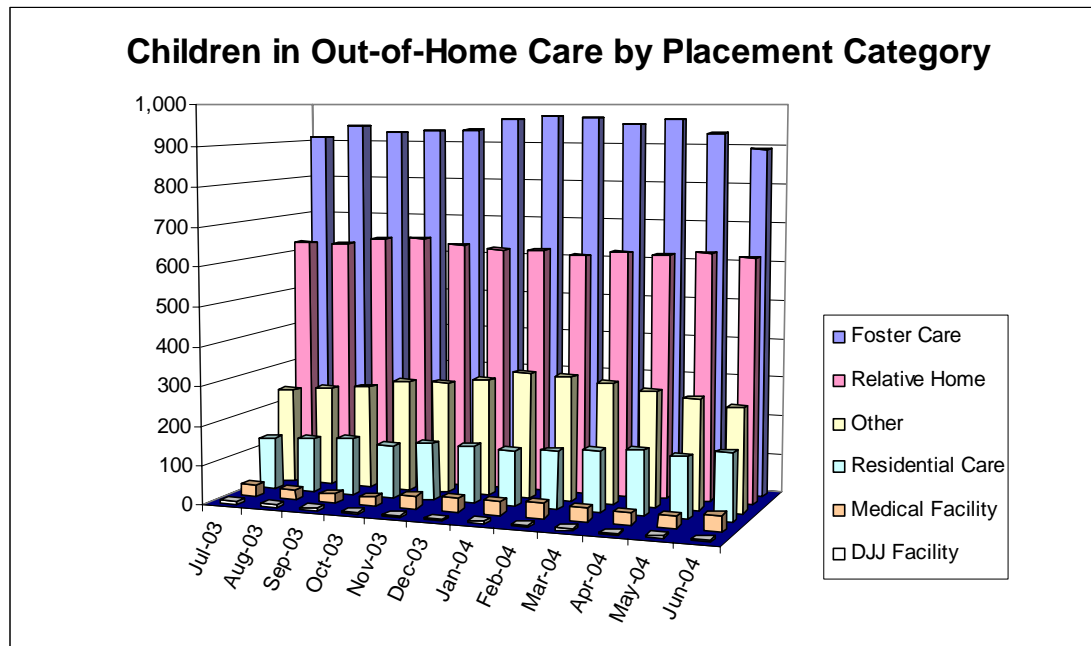
When it is necessary to remove a child from potentially harmful situations, out-of-home care is required. Front Line Social Workers investigate reports of harm, and when necessary, arrange for placement in the least restrictive setting. On average, 2,033 children were in the state's custody and placed in out-of-home care monthly during FY 2004.

Chart #5



Options for placement include foster care (non-relative), a relative's home, residential care, a medical facility, a Division of Juvenile Justice detention/correction facility, or other placements that consist primarily of closely monitored trial home visits. The breakdown of children in each out-of-home placement option is shown below. During FY 2004, an average of 48% of children requiring placement were placed in foster homes and 32% were placed with family members.

Chart #6

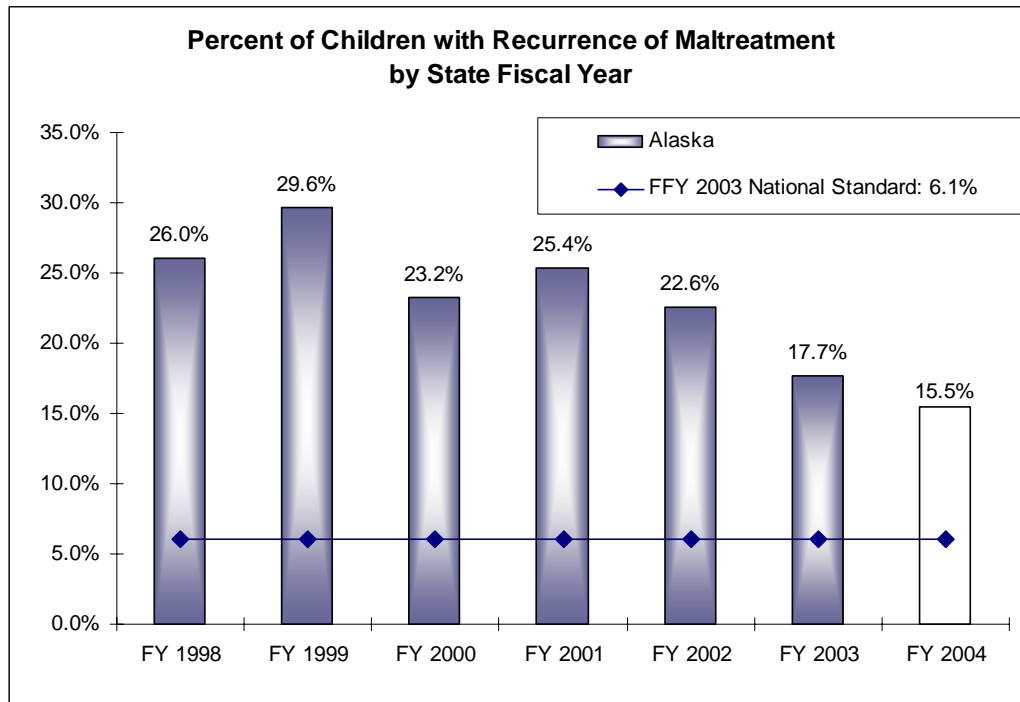


	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04
Foster Care	911	943	926	931	933	962	969	967	949	963	929	889
Relative Home	630	629	646	650	635	626	626	616	627	624	632	623
Other	245	256	264	284	286	299	322	318	306	292	279	263
Residential Care	133	139	145	133	146	145	141	147	156	163	154	170
Medical Facility	30	25	22	22	33	35	35	39	33	29	30	40
DJJ Facility	9	8	7	6	6	5	7	6	6	3	5	4
TOTAL	1,958	2,000	2,010	2,026	2,039	2,072	2,100	2,093	2,077	2,074	2,029	1,989

Recurrence of Maltreatment

The following chart displays Alaska's percentage of children considered to have had a recurrence of maltreatment either within the home or after placement. A child is considered to have a recurrence of maltreatment if a report of harm received in the first six months of the year is substantiated or indicated, and another substantiated or indicated report is received within six months. Significant progress has been made to bring Alaska within sight of the national standard over the past three fiscal years. It is likely progress in this area will continue as OCS continues to achieve manageable caseloads, builds a well-trained stable workforce, and sets clear performance standards for staff and grantees.

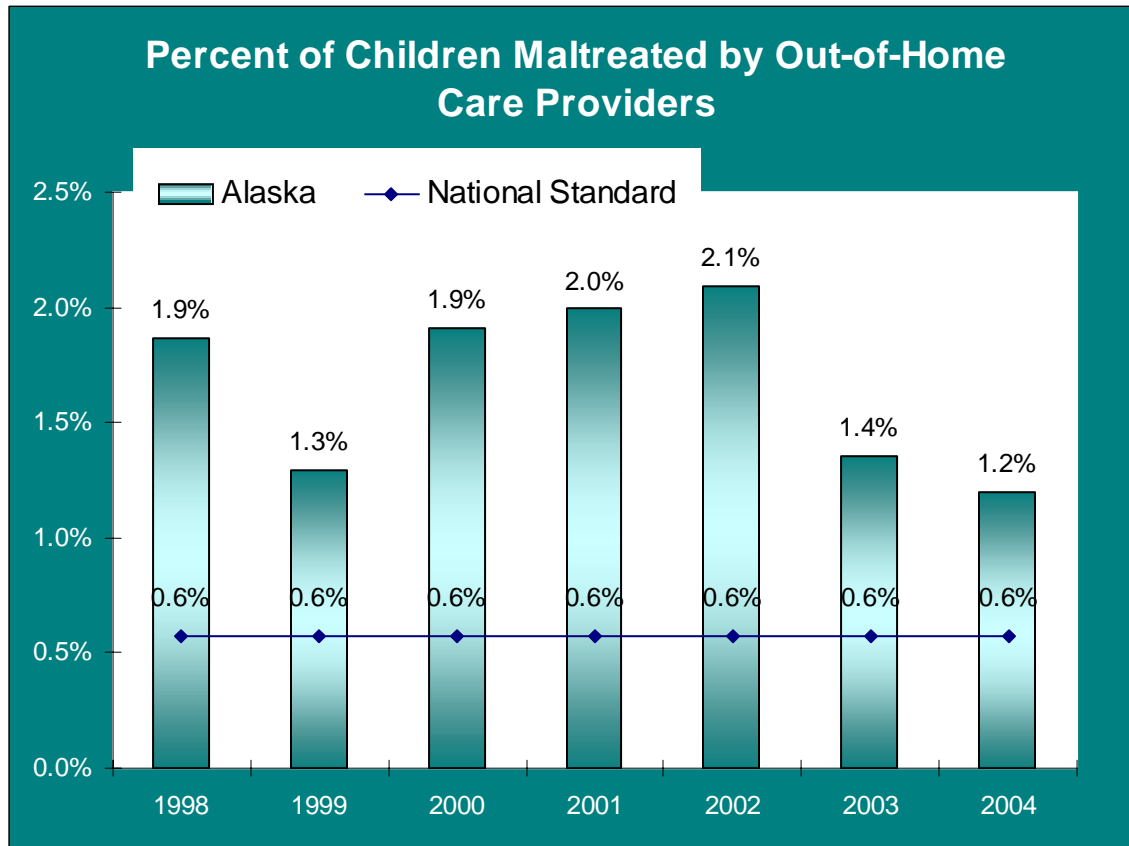
Chart #7



Maltreatment by a Provider

The following chart displays the number of Alaskan children placed outside the home who are the subject of maltreatment by a provider. The target developed under the Program Improvement Plan was to reduce maltreatment to 1.77% or less by December 2004. That target has been exceeded and OCS continues working to reduce the rate.

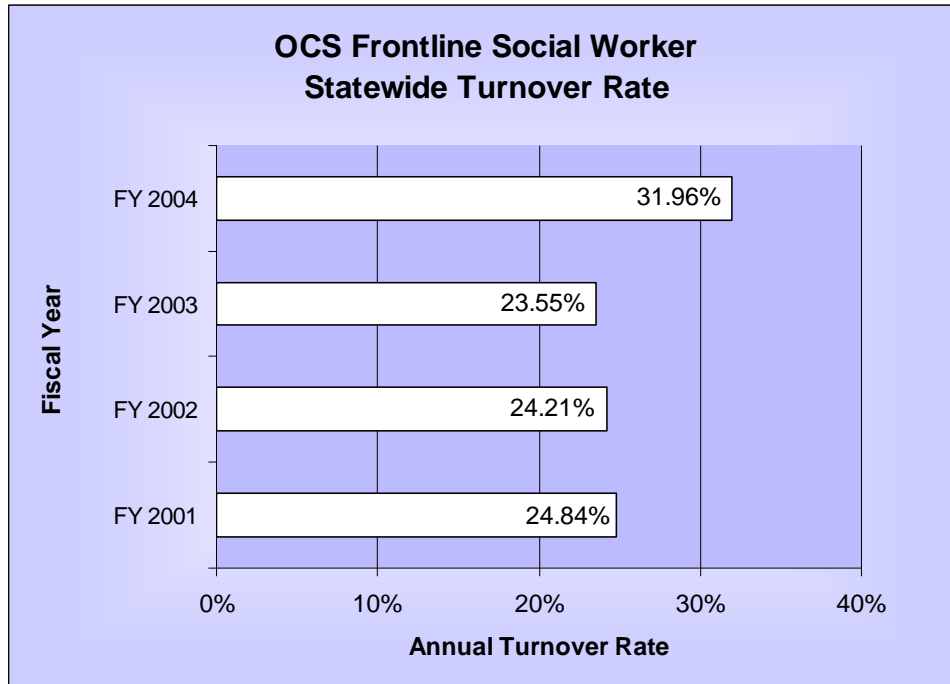
Chart # 8



Front Line Social Worker Turnover

A key indicator of the successful implementation of the OCS mission is a well-qualified and stable work force with manageable caseloads. The following chart provides a picture of the rate at which the division's Front Line Social Worker force turns over.

Chart #9

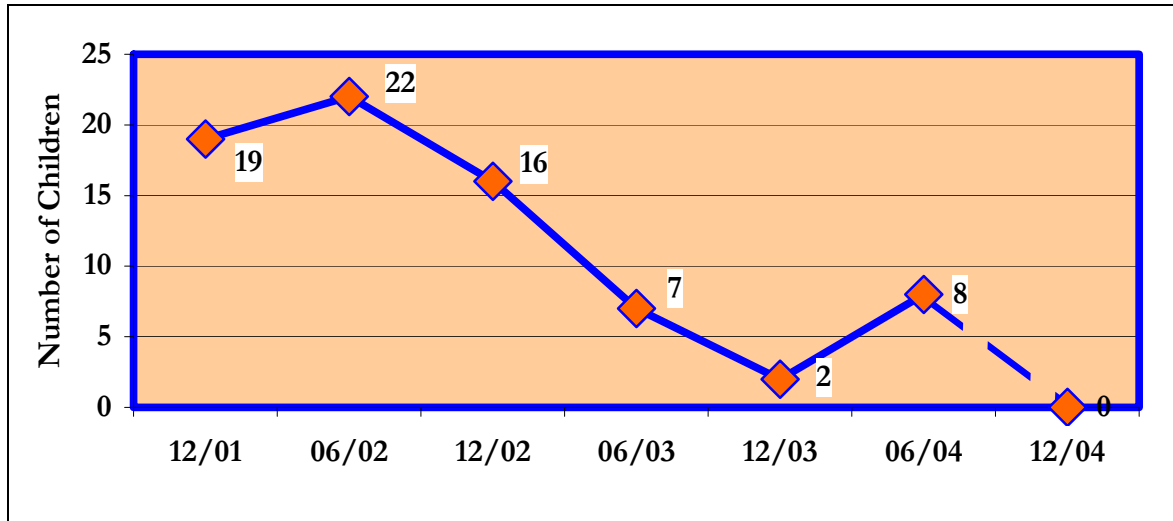


The division continues to utilize available tools in an effort to hire and keep qualified social workers. Exit surveys are requested from each employee within 30 days of separation, focus is placed on improved supervisory and management skills, and on reducing caseworker caseloads in line with nationally accepted standards. Caseloads have been reduced significantly from July of 2003 to August of 2004, but Alaska's caseloads still remain well above national standards.

Early Intervention/Infant Learning Program Wait List Reduction

The following chart shows the number of Part C eligible children on a waitlist for services at intervals from December 31, 2001 to June 30, 2004. The waitlist includes any child who is eligible for services but who has not had a complete evaluation/assessment and/or IFSP in place within 45 days of referral. State and local improvement strategies have focused on improving the timeline for initiating services and a resulting trend of improvement on this measure is evident, although there was some slippage in the quarter ending June 30, 2004, due to several provider vacancies that programs were unable to fill until later in the summer.

**Number of Part C Eligible Children *
on Waitlist at 6-Month Intervals**



However, only five of the seventeen regional programs had any children waiting for services at the end of June 2004, and other measures of progress toward timely services for all children indicate that there was continuing improvement. The average days from referral to enrollment steadily decreased over the year and the percentage of children enrolled within 45 days of referral continued to grow.

* Children, from birth to 36 months, who meet one of the following criteria are Part C eligible:

- Developmental delay of 50% or greater in one or more areas of development;
- Disabling condition with a high probability of resulting in a 50% or greater developmental delay;
- Child's development appears atypical and a multi-disciplinary team determines that the child is likely to have a severe developmental delay.

List and Description of Primary Programs and Statutory Responsibilities

Child and Welfare AS 47.10

The Office of Children's Services provides the following child welfare services to meet the mandates of Alaska's child protection and child welfare statutes. These statutes direct that the department shall "arrange for the care of every child committed to its custody" and "pay the costs necessary to ensure adequate care of the child."

Child Protective Services

The purpose of Child Protective Services (CPS) is to identify, treat, and reduce child abuse and neglect, as well as to ensure that reasonable efforts are made to protect and maintain children in their own homes. The OCS staff provides protective services for children by assisting families in diagnosing and resolving problems, investigating reports of harm, referring families to community resources, initiating legal intervention if children are unable to remain safely in their own homes, and providing out-of-home placements and permanency planning when necessary.

Permanency Planning for Children

The child protection workers conduct a comprehensive case planning process directed toward the goal of a permanent, stable home for every child. These case planning activities are directed toward assuring that every child in the state's care has a permanent family, capable of providing them with nurturance and protection.

Community Care Licensing

The licensing of community care facilities is a preventive service that reduces predictable risks to the health, safety and well-being of children in out-of-home care. Licensing requirements establish acceptable standards of care, while the licensing and monitoring processes provide support and quality control services to the care providers.

Foster Care AS 47.14.100

AS 47.14.100 mandates the Department to provide for the "...care of every child committed to its custody by placing the child in a foster home or in the care of an agency or institution providing care for children inside or outside the state." The Office of Children Services is responsible for finding temporary and permanent homes for children who have been abused and neglected. OCS licenses foster parents, places children in foster homes and help make sure foster parents get the support they need.

Foster Care Transition Program AS 47.18

AS 47.18 300-390 requires the Department to provide supports and services to youth in custody, who reach or have reached the age of 16 and older while in foster care and who are likely to remain in foster care until reaching the age of 18, to support their successful transition from state custody to self-sufficiency. AS 47.18 also authorizes the Department to provide continuing supports and appropriate services to former state foster care recipients, age 16 to 21, to achieve self-sufficiency.

Subsidized Adoption & Guardianship AS 25.23 and AS 47.10

The Subsidized Adoption & Guardianship program is an adoption incentive program for children with special needs. This program transitions children from foster care into permanent homes. The subsidy payment covers the cost of the child's special needs and is available to the family until the child reaches age 18.

Residential Care AS 47.07

Residential care facilities provide treatment services within a therapeutic environment that is staffed 24 hours a day. Residential care facilities may offer short-term emergency shelter as well as more long-term residential treatment. Placement in a residential facility is for a specified period of time, and generally occurs only after less restrictive placement options have been found inappropriate or have been exhausted.

Family Support Services AS 47.10

Family preservation and support services help families (including adoptive and extended families) at risk or in crisis. These programs help children return home after removal, provide follow-up care to families after a foster care placement, provide temporary respite care to parents and other caregivers and provide services to improve parenting skills in matters such as child development, family budgeting, coping with stress, health, and nutrition.

Infant Learning Program AS 47.20.005-050

The Infant Learning Program provides early intervention services to children, birth to three years of age, with disabilities or developmental delays or at risk for developmental delays and their families. Services may include screening, assessment, special instruction, family support and therapies and are designed to meet each child's unique developmental needs.

Healthy Families Alaska AS 18.05.010-070

The Healthy Family program provides screening and assessment for all pregnant women and families of newborns in the geographic regions served by the five Healthy Family grantees: Catholic Social Services- Anchorage, Cook Inlet Tribal Council - Anchorage, Catholic Community Services - Juneau, Mat-Su Services for Children and Adults- Wasilla, Resource Center for Parents and Children - Fairbanks, and the Kenai Parent Support Program. Families identified to have stressors that place their children at risk for poor childhood outcomes, are offered voluntary home visiting services for three to five years.

In FY04 94% of participating families had no substantiated report of harm, and 96 % of Target Children have a medical home. These accomplishments are due to incorporated clinical consultation services in each program to provide staff support and training and evaluation in domestic violence, mental health and substance abuse; the use of a standardized consent form that informs parents that services are voluntary, that HFAK staff are mandated reporters of child abuse and neglect and that assessment results will be summarized and shared at the end of the home visit; the use of the Parent Stress Index (PSI) at six-month intervals beginning at the target child's sixth month birthday. PSIs are reviewed by mental health clinicians and results shared with parents. Based on scores and identified areas of stress, parents are linked to appropriate community services. Family Support Workers received Healthy Families America Advanced Training, Program Assistants received training on Access and the HFAK database and supervisors received training on Reflective Supervision.

Family Nutrition Services (WIC) AS 18.05.010-070 & AS 44.29.020

Family Nutrition Services encompasses six programs that provide \$26 million in federal grants and \$3 million in program receipts to program participants in the form of food, nutrition education, breastfeeding support, and resources on obesity and chronic disease prevention. The six programs are the Farmers' Market, Senior's Farmers' Market, Commodity Supplemental Food, Team Nutrition, Coordinator for the Eat Smart Alaska coalition and the Women, Infants and Children's Supplemental Nutrition Program or WIC. Participants are pregnant, breastfeeding, or postpartum women and their children 0 to age 5 who must also meet income and nutrition risk criteria. During FFY 04, WIC had a yearly caseload of 330,000 clients with average monthly participation of 27,500. Every \$1.00 spent in WIC saves \$3.00 in Medicaid costs. A measure of the program's success is Alaska's breastfeeding initiation rate of 81.8%, the 8th highest in the nation.

Explanation of FY 2006 Budget Changes

Office of Children's Services	2005	2006 Proposed	06 to 05 Change
General Funds	50,977.0	54,606.4	3,629.4
Federal Funds	71,402.1	76,977.2	5,575.1
Other Funds	10,569.1	9,740.3	(828.8)
Total	132,948.2	141,323.9	8,375.7

Online Resources for Children of Alaska (ORCA) Maintenance Agreement \$300.0 Federal; \$120.0 GF

ORCA development and implementation is ongoing to fully automate the OCS provider payment system and financial modules that will replace the antiquated legacy provider payments system. ORCA will greatly enhance OCS's ability to make accurate and timely payments to providers, provide required federal reports, and will allow for efficient field staff administrative data entry, freeing time for case work. This request provides for the required data processing support for ongoing system maintenance, help desk support, and design/implementation contract support.

ORCA Management & Help Desk Support \$42.9 Federal; \$129.0 GF

Development and quality assurance services purchased from private contractors for the help desk as well as partial support of the project manager's position.

Children's Services Training:

Enhance Training Capacity for Front-Line Staff \$188.8 Federal; \$220.4 GF Match

Better trained social workers and front line staff is key to the success of OCS's mission. Training is designed to enhance each worker's ability to recognize abuse and neglect, increase their skills in working with children and families to help prevent further abuse and neglect, and strengthen each worker's ability to assess when it is necessary to retain custody of a child. This request funds ongoing training and staff development for existing front-line and management staff and will provide funding for the Family and Youth Training Academy to provide Training and Orientation for New Employees (TONE) for new social workers. Timely TONE is essential for new social workers to perform intake, investigation, and on-going field work. This funding will provide additional training to approximately 200 social workers.

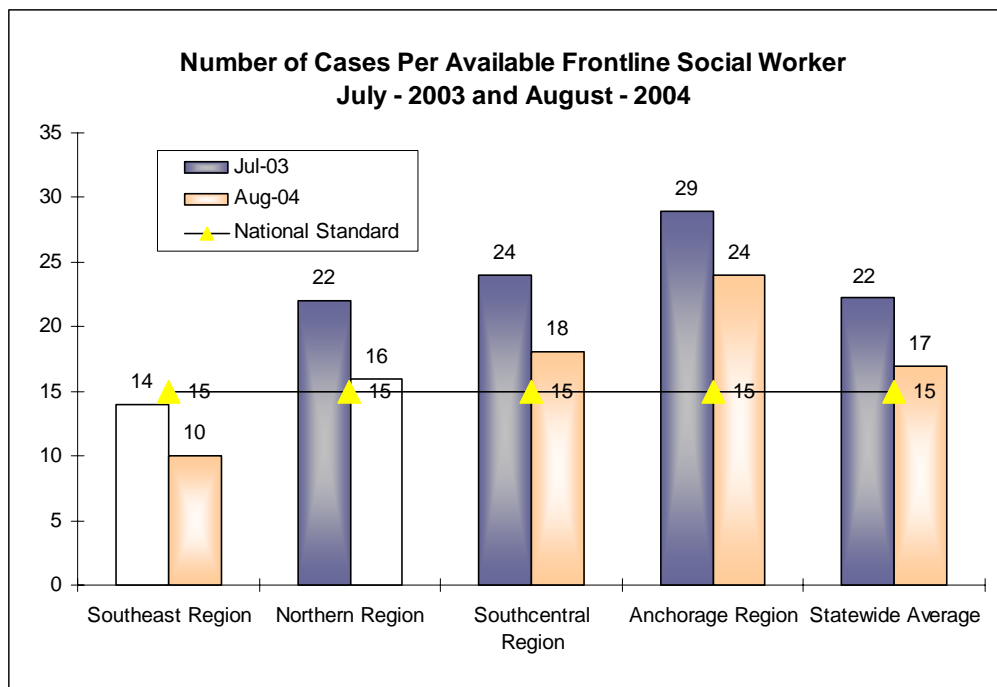
Front Line Social Workers:

Front Line Social Work Expansion \$2,197.6 Federal; \$830.6 GF

The federal Child and Family Services Review completed in September of 2002 highlighted inadequacies within the OCS in ensuring the safety of children, finding permanent homes for children and ensuring their health, education and mental health needs are met. Many of the inadequacies cited were attributed to high caseloads.

In order to keep children safe, recruit more resource families to provide foster care and adoptive homes, meet the outcomes defined in the federal program improvement plan, and enhance safety in foster and adoptive homes, the Office of Children's Services requests 31 additional positions in FY2006 to respond to growth in caseload and assign front line social workers to prevention, protection, and permanency. (See chart)

Ten positions will be assigned to perform home studies of foster homes and adoptive homes. Two positions will be assigned to supervise home study workers. Three positions will be assigned to enhance ongoing efforts to recruit and retain foster families. Eleven positions will be assigned to perform intake, investigation, follow-up and ongoing case management to respond to growing caseload and more timely follow-up with more regularity. Finally, five positions will be assigned full time to serve as business analysts/expert resources/data processing liaisons to all the users of the recently-implemented ORCA computer system.



Family Preservation:

Increase Family Preservation Grant Funding \$270.6 GF

This request provides funding to three or more grantees delivering family preservation services in rural areas. Family preservation services include intense pre-placement services to help children at risk of foster care placement remain safely in the family home, and follow-up care to families following placement or after a child abuse and neglect investigation has been substantiated. Provision of these services is required under the federal program improvement plan. OCS must be in compliance by 2007. This request also recoups an FY05 general fund cut that was absorbed in this component. The cut was targeted to be absorbed through Medicaid targeted case management billings for some services formerly supported with general funds. Changes to the Medicaid State Plan allowing targeted case management coverage were not approved for Alaska, therefore Medicaid revenues cannot be earned.

Increased Federal Authority for CAPTA/CJA \$1,000.0 Federal

Federal awards for Child Abuse Prevention and Training Act/Children's Justice Act will double beginning October, 2005. This request will provide OCS with the additional authority to accept this award. DHSS will grant to sub-awardees to enhance ongoing advocacy and justice activities. Services provided through these grants include:

- Child-Appropriate/Child-Friendly Facility: children's advocacy centers provide a comfortable, private setting that is both physically and psychologically safe for clients;
- Multidisciplinary Team (MDT) for response to child abuse allegations including representation from law enforcement, child protective services, prosecution, mental health, medical, victim advocacy, and children's advocacy center;
- Forensic Interviews conducted in a neutral location, which are fact-finding in nature and coordinated to avoid duplicative interviewing;
- Medical Evaluation: specialized evaluation and treatment for Child Advocacy Center clients as part of the team response;
- Therapeutic Intervention: specialized mental health services to Child Advocacy Center clients as part of the team response;
- Victim Support/Advocacy services made available as part of the team response;
- Case Review: team discussion and information sharing regarding an investigation, case status and services needed by the child and family are to occur on a routine basis; and
- Case Tracking to monitor case progress and track outcomes for team components.

Increased Legal Activities \$58.0 Federal; \$173.0 GF Match

This request will provide funding in support of increased legal services required for court permanency/child in need of aid (CINA) work including a new attorney dedicated to the Nome District Attorney's office for the Norton Sound area. There are currently no CINA attorneys in the state's Northern Regions except Fairbanks.

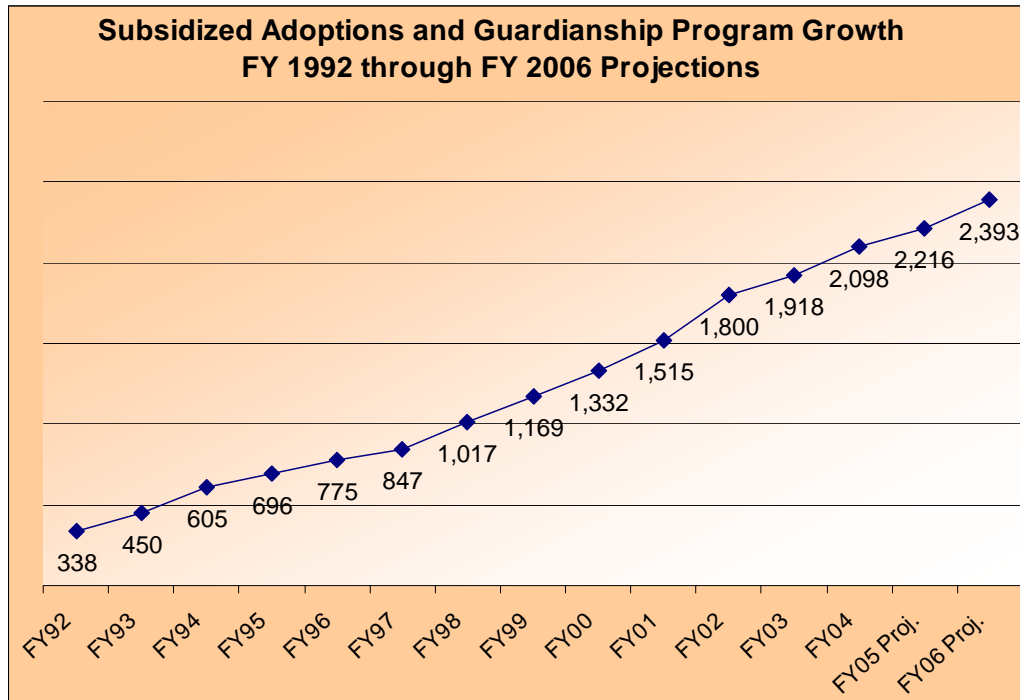
Foster Care Special Needs:**Resource Family Recruitment Enhancement Effort \$25.0 Federal; \$75.0 GF**

This request will provide the funding necessary to enhance OCS's effort to recruit more resource families to provide foster and adoptive homes for children in need. This funding will be used for a media campaign and community outreach services.

Subsidized Adoptions and Guardianship:**Fund Projected Caseload Growth for Subsidized Adoptions & Guardianships \$560.4 Federal; \$252.2 GF Match; \$766.1 GF**

This request will fund a projected 8% growth in the Subsidized Adoptions and Guardianship Program. The Subsidized Adoptions and Guardianship Program provides permanent homes to children in permanent custody who are unlikely to be adopted without a subsidy. These children have been removed from situations of abuse or neglect and have special needs such as physical or mental disabilities, emotional disturbance, or recognized high risk of physical or mental disease that place them at high risk for subsequent abuse or neglect. This increase in funding is necessary to ensure continuity of subsidy payments and continued success of the subsidy program. At the close of FY 2004, there were 2,098 children in the program. The department anticipates that number to increase to 2,216 in FY 2005 and 2,393 in FY 2006 as shown below.

Chart #11



The success and growth of this program can be attributed to several factors including Alaska's HB 375 pertaining to children in need of aid, and the Federal Adoption and Safe Families Act of 1998, and AS 25.23.190. All mandate the department continue the increased emphasis on permanency planning and move quickly to find permanent homes for children in State custody.

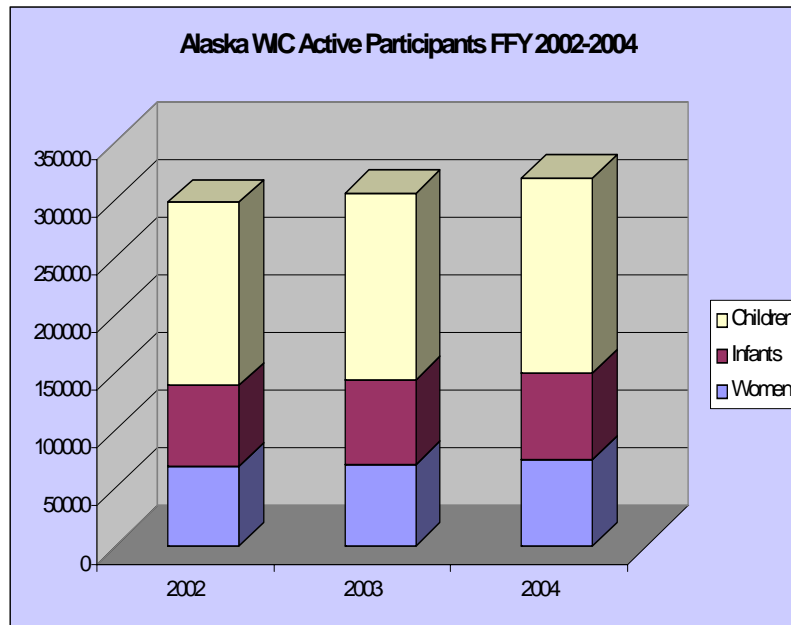
Unified Home Studies \$30.0 Federal; \$120.0 GF

This request for additional funding will provide training for licensing workers to learn to evaluate homes and prepare unified home studies so that homes are concurrently examined as candidates for foster and adoptive placements. These funds will also provide for unified home studies for children placed through the interstate Compact for Placement of Children purchased from the private sector.

Women, Infants and Children:

Increase Federal Authorization for the WIC Food Program \$1,200.0 Federal

This request is for increased federal authority for the Women, Infants, and Children's food program that provides nutritional foods and education to approximately 26,400 low income pregnant, postpartum, and breastfeeding women and children up to the age of five each month. This request is necessary to cover the increased number of clients receiving services and the increased cost of food as well as the increased cost of supplying the food to WIC recipients.



During FFY 04, WIC had a yearly caseload of 330,000 clients with average monthly participation of 27,500. Every \$1.00 spent in WIC saves \$3.00 in Medicaid costs. Alaska's breastfeeding initiation rate is 81.8%, the 8th highest in the nation.

This page intentionally left blank.

Health Care Services

Mission

Manage health care coverage for Alaskans in need.

Introduction

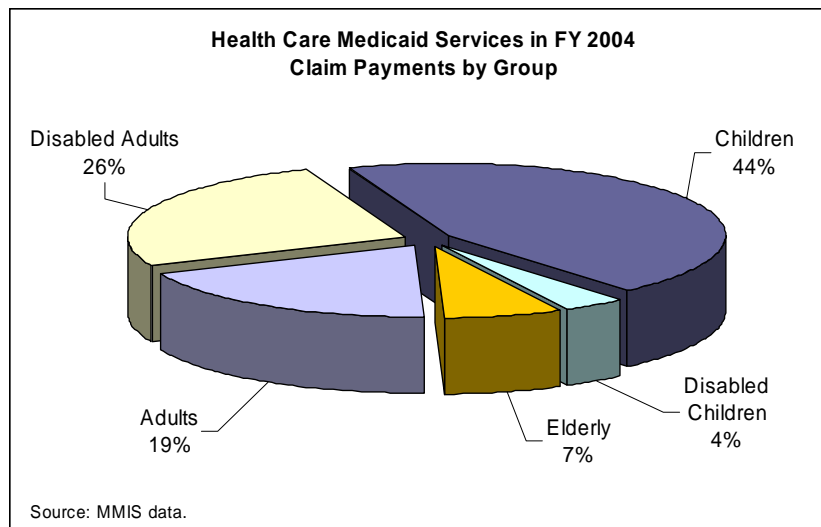
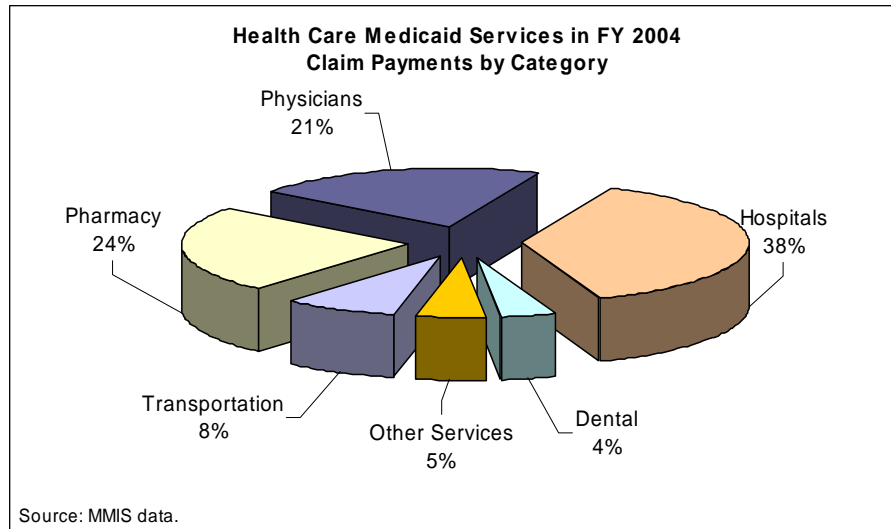
Under the Department of Health and Social Services (DHSS) restructure in FY2004, the Division of Health Care Services (HCS) maintains the Medicaid core services including hospitals, physician services, pharmacy, dental services, and transportation. Other Medicaid core services maintained by the division include physical, occupational, and speech therapy; laboratory; radiology; durable medical equipment; hospice; and, home health care. On a department-wide basis, HCS administers the following:

- State Children's Health Insurance Program (SCHIP)
- Medicaid Management Information System (MMIS)
- Claims payments and accounting
- Third-party liability collections and recoveries
- Federal reporting activities
- Medicaid financing activities
- Chronic and Acute Medical Assistance Program

In addition, the division's major goal has been to support services through management efficiencies and the capitalization of Medicaid financing.

Annual Statistical Summary of Services Provided in FY2004

The HCS Medicaid categories of service are in aggregate the most costly within the department. In FY2004 HCS provided services to more than 119,000 Alaskans. The total cost for services provided exceeded \$606 million in FY2004.



The statistics in the table below are for all Medicaid and CAMA services, not just those provided through the Division of Health Care Services.

	CAMA		Medicaid	
Beneficiaries	1,521		119,321	
Race	White	71%	White	43%
	Black	11%	Black	5%
	Alaska Native/American Indian	7%	Alaska Native/American Indian	37%
	Hispanic	3%	Hispanic	4%
	Unknown	3%	Unknown	4%
	Asian/Pacific Islander	5%	Asian/Pacific Islander	7%
Gender	Male	45%	Male	43%
	Female	55%	Female	57%
Age	>1	0%	>1	6%
	1 - 5	0%	1 - 5	18%
	6 - 14	0%	6 - 14	28%
	15 - 20	1%	15 - 20	15%
	21 - 44	41%	21 - 44	19%
	45 - 64	57%	45 - 64	8%
	65 - 74	1%	65 - 74	3%
	75 - 84	0%	75 - 84	2%
	85 +	0%	85 +	1%
Expenditures (in thousands)	Pharmacy	\$1,699.8	Pharmacy	\$91,850.6
	Physician Services	\$282.3	Physician Services	\$97,708.8
	Hospital Services	\$151.6	Hospital Services	\$178,382.5
	Other Medicaid Services	\$56.6	Other Medicaid Services	\$23,041.9
	Transportation	\$25.1	Transportation	\$38,934.7
	Hold Harmless	\$0.0	Hold Harmless	\$106.8
	Dental	-\$2.5	Dental	\$19,305.1
	Abortion	\$0.0	Abortion	\$513.0
	Personal Care Services	\$0.0	Personal Care Services	\$64,325.3
	Nursing Homes	\$8.1	Nursing Homes	\$56,693.9
	AD Waiver	\$0.0	AD Waiver	\$15,000.5
	CCMC Waiver	\$0.0	CCMC Waiver	\$8,433.9
	MRDD Waiver	\$0.0	MRDD Waiver	\$63,962.4
	OA Waiver	\$0.0	OA Waiver	\$27,054.8
	Res. Psych. Treatment Ctr.	\$0.0	Res. Psych. Treatment Ctr.	\$48,738.1
	Inpatient Psychiatric	\$0.0	Inpatient Psychiatric	\$13,365.4
	Mental Health	\$0.0	Mental Health	\$56,533.7
	Behavioral Rehabilitation	\$0.0	Behavioral Rehabilitation	\$10,029.3
	Total	\$2,221.0	Total	\$813,980.7

Source: Expenditures are from AKSAS. All other data is from the MMIS database.

List and Description of Primary Programs and Statutory Responsibilities

Medicaid Services

Alaska Statutes

AS 47.07 Medical Assistance for Needy Persons

AS 47.08 Assistance for Catastrophic Illness and Chronic or Acute Medical Conditions

AS 47.25 Public Assistance

Social Security Act

Title XVIII Medicare

Title XIX Medicaid

Title XXI Children's Health Insurance Program

Administrative Code

7 AAC 43 Medicaid

7 AAC 48 Chronic and Acute Medical Assistance

Code of Federal Regulations

Title 42 CFR Part 400 to End

Medicaid is a jointly funded cooperative venture between federal and state governments to assist in the provision of adequate and competent medical care to eligible persons in need. Alaska's Medicaid program impacts the service delivery of every division within the Department of Health and Social Services, as well as divisions in six other state departments. There are six sources of federal funding that branch into a broad spectrum of varying federal participation rates, allotments, and reimbursements. Each has its own federal and state regulatory processes.

Federal Financial Participation (FFP), which is the federal government's share for state Medicaid program expenditures, is generally claimed under two categories: 1) administration; and, 2) medical assistance claims payments. The Health Care Services RDU incorporates all program activities and responsibilities associated with assuring medical assistance payments are made timely, accurately, and as cost effective and efficient as possible.

FFP for Medicaid administrative activities are federally matched at a base rate of 50%. This means the federal government provides funds equal to one-half of total expenditures incurred by the state to administer Medicaid. However, higher matching rates of 75% and 90% are authorized by law for certain administrative functions and activities.

In order to receive federal matching dollars for medical services under the Medicaid program, states must maintain a Medicaid state plan. The state plan details the scope of each state's Medicaid program by listing the eligibility groups and standards, the services provided, any applicable service requirements, and payment rates for those services. While states generally have flexibility in forming their Medicaid programs, Medicaid state plans must include certain elements of information and must be consistent with mandates detailed in federal statutes.

Medicaid Services are reimbursed by the federal government at a statutory Federal Medical Assistance Percentage (FMAP). FMAP under Title XIX of the Social Security Act is determined by formula calculation on the federal fiscal year (FFY). In addition to the Title XIX rate, certain Medicaid fund source categories are reimbursed at enhanced or fixed levels. Published formulated rates are not always available for timely Alaska budget development calculations. Therefore, it becomes necessary to make FMAP adjustments to projected or authorized funding levels.

Title XXI (SCHIP known in Alaska as the Denali KidCare Program (DKC)) and the Breast and Cervical Cancer program are reimbursed at enhanced rates which are also formula-based on the FFY. Family planning and the Indian Health Services (IHS) rates are fixed at 90% and 100% respectively.

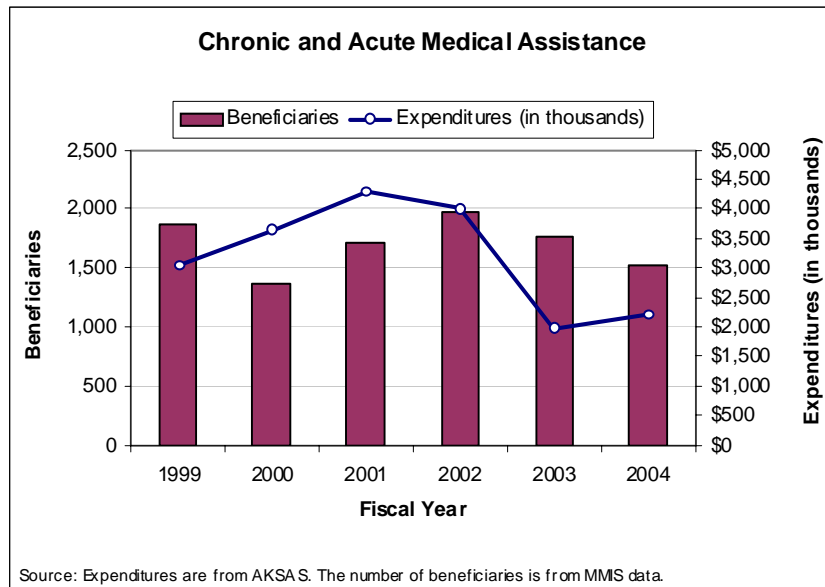
Federal Medical Assistance Percentages for Claim Payments

Federal Funding Program	Qtr	<u>State Fiscal Year</u>		
		2004	2005	2006
Title XIX	Qtr 1	61.22%	58.39%	57.58%
	Qtr 2-4	61.34%	57.58%	50.16%
Title XXI	Qtr 1	70.79%	70.87%	70.31%
	Qtr 2-4	70.87%	70.31%	65.11%
Family Planning	All Qtrs	90.00%	90.00%	90.00%
Indian Health Services	All Qtrs	100.00%	100.00%	100.00%

Chronic and Acute Medical Assistance Program AS 47.08 and 7 AAC 48

The CAMA program provides a limited package of health services to those individuals with chronic medical conditions who do not qualify for the Medicaid program. CAMAs limited benefits are only available to low-income persons with an immediate need for medical care and who are unable to secure other private or public assistance.

During the FY04 budget process, the CAMA appropriation was cut by 50% leaving a total of \$2 million to provide limited services to Alaska's indigent population. In FY05, the budget is reduced further to \$1.5 million. The program implemented regulations that limited coverage. This limited coverage makes CAMA primarily a prescription drug program for the terminally ill, chemotherapy patients, and people with certain chronic conditions that without treatment would lead to disability or death.



Many services previously provided by the Division of Health Care Services are proposed to transfer to the Division of Public Health in FY06, specifically the Maternal and Child Family Health program functions.

AKInfo. The AKInfo information and referral line grant with the United Way of Anchorage is administered through HCS and funded through the Maternal and Child Health Grant. In order to meet federal funding requirements of HRSA (Maternal, Child Health Bureau), Part C of the Individuals with Disabilities Act, and USDA (WIC), to help Alaskan families locate providers of other needed health and social services, HCS allocates funding for statewide toll-free information and referral (I&R) services. \$60,000 is currently provided to the United Way of Anchorage in support of AKInfo for 24 hours per day, seven days per week (24/7) operator-assisted toll-free I&R services. The funding is also used for the maintenance of an internet-based information and referral database of service providers statewide.

Early, Periodic, Screening, Diagnosis & Treatment (EPSDT) Program. The EPSDT program assures that children enrolled in Medicaid receive well-child care and additional diagnosis or treatment services as needed. All Medicaid Services/EPSDT program activities are directed toward addressing federal EPSDT regulations or related federal initiatives.

The program sends notice to parents or guardians of children due for well-child exams; produces lists of providers (physicians, nurse practitioners, dentists, vision care providers, etc.) who accept new Medicaid patients; coordinates and funds (through Medicaid) transportation to health care appointments for children and pregnant women; and arranges home visits by nurses for women with high risk pregnancies. This assistance is available for health care appointments only if the family does not have the resources to attend scheduled appointments and would therefore miss a clinic for child wellbeing without the assistance.

Adult Dental Medicaid Enhancement. This is a proposal to expand the existing level of adult dental services, “emergency” dental services, to include preventive and restorative dental services for adults up to an annual cap of \$1,150 per fiscal year. The department and Alaska Mental Health Trust Authority have made this proposal to increase access to preventive dental

care for AMHTA beneficiaries and other adults enrolled in the Medicaid program. The existing level of adult dental service in Medicaid often leads to extraction of teeth. Dental infections result in decreased overall health and can complicate other underlying chronic diseases (e.g., cardiovascular disease and diabetes). Recent studies have also implicated maternal periodontal disease as a risk factor for preterm low birth-weight births. Additionally, decayed and missing teeth can also affect an individual's employability and job enhancement opportunities, especially in Alaska's growing service industries.

SeniorCare Program. This is a proposal to address the increased healthcare costs facing Alaska's senior population. The goal is to integrate state benefits for low-income seniors with available federal funds to provide the most cost-effective coverage available.

Explanation of FY2006 Budget Changes

Health Care Services	2005	2006 Proposed	06 to 05 Change
General Funds	109,296.3	135,711.8	26,415.5
Federal Funds	488,466.6	490,115.0	1,648.4
Other Funds	78,157.3	76,924.0	(1,233.3)
Total	675,920.2	702,750.8	26,830.6

Medicaid Services

Increase for Unrealized Cost Containment Efforts -- \$10,388.3 Federal Funds, \$9,321.4 GF Match.

In the FY05 budget, the department introduced an aggressive package of cost containment proposals to reduce Medicaid costs. For the Health Care Services Medicaid Program, the total reduction was estimated at \$41.5 million. Some of these containment efforts have proved unattainable at this time. The department is requesting an increment in FY2006 of \$19.7 million, including \$9.3 million in general funds, to restore funding to the base budget for those areas. This increment does not include funds for an aggressive plan to reduce transportation costs of \$11 million (\$4.5 million GF / \$6.5 million Fed) that are producing almost no savings during the current year through the State Travel Office that was implemented on January 1, 2005.

Following is a list of the items that have not been achievable and the reasons why:

- Cost Avoid Medicare Covered Drugs - \$521.0 GF/\$879.0 Fed: The division has been able to implement half of the original proposal, due to a decision to combine this effort with other pharmacy cost containment, which has been delayed due to regulation changes and system changes to MMIS that cannot be implemented.
- Expand Case Management of high cost recipients - \$720.0 GF; \$1,080 Fed: There are currently 37 lock-in cases, all other attempts for lock-in status have been appealed.
- Expand efforts to identify Drug Abuse - \$459.0 GF; \$741.0 Fed: Approximately 1/3 of the savings has been achieved; other implementation is being done by specific drug class in conjunction with expanding the PDL.
- Expand Preferred Drug List: \$4.5 million GF; \$7.3 million Fed: The project was delayed by several months with industry push-back and the multi-state supplemental drug rebate pool, which was delayed by CMS for 5 months. Approximately 1/3 of expected savings was from the behavioral health drugs, one of the last drug classes to be implemented.
- Prior Authorization for Outpatient visits: \$147.3 GF; \$220.0 Fed: Project has been delayed indefinitely to allow other priority projects to continue.
- Implement Prior Authorization for PT and OT - \$ 193.4 GF; 289.8 Fed: In depth analysis determined that implementing these projects would increase costs.
- Rate Setting - \$229.0 GF:

- General Cost Containment - \$2,722.4 GF: Many cost containment proposals for facilities are tied to rebasing of the rates for facilities that will now not occur until 2007. Other proposals are impossible to implement until a new MMIS system is in place and others were deemed impossible to implement by Department of Law.

Federal Medicare Part A & B Premium Cost Increase -- \$46.1 GF Match.

Medicaid pays the Medicare Part A and B insurance premiums for those recipients who are eligible for both Medicaid and Medicare. Due to increased health care costs, the Federal Dept. of Health and Human Services announced an increase in premiums starting in 2005. Part A rates will increase by 4.1% while Part B rates will increase by 17.4%. This increment reflects those premium rate increases.

Estimated Medicare Part D Claw back Adjustment -- \$5,301.0 GF Match.

Under the Medicare Modernization Act, which created the Medicare Prescription Drug program, states must make monthly payments to the federal government for each Medicaid recipient eligible for the Medicare drug benefit. Medicaid no longer provides prescription drug coverage to people who are dually eligible for Medicaid and Medicare. Alaska has about 10,000 of these dual eligibles.

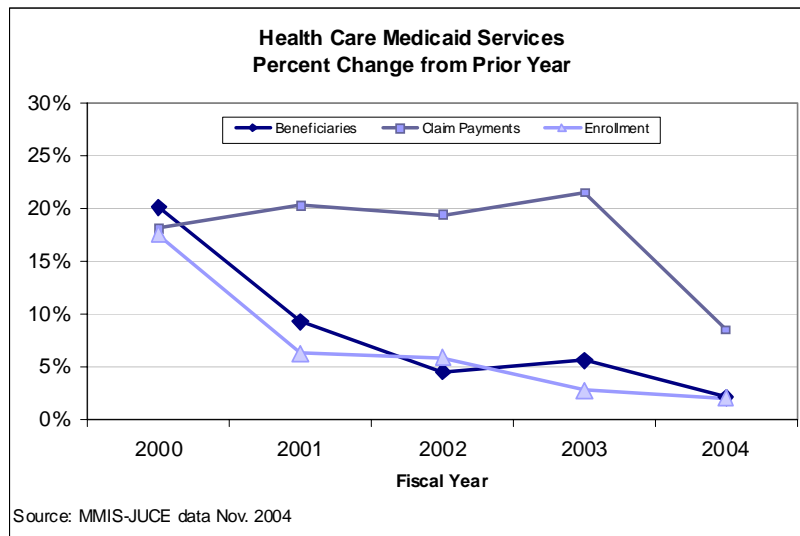
The monthly payment, known as “Medicare clawback” is determined by a formula that uses a national drug inflation factor. This factor may be higher than the actual cost increases experienced by Alaska’s Medicaid program, as Alaska began implementing cost controls in Medicaid prescription drug coverage that did not take effect until after the formula’s 2003 base year. As a result, Alaska’s clawback payments may exceed the actual savings from the switch. Our preliminary estimate indicates that Alaska will have to pay \$5.3 million more in clawback in 2006 than if we provided the drug coverage through Medicaid.

Projected HCS Medicaid Growth -- \$16,000.0 Federal Funds, \$13,030.5 GF Match.

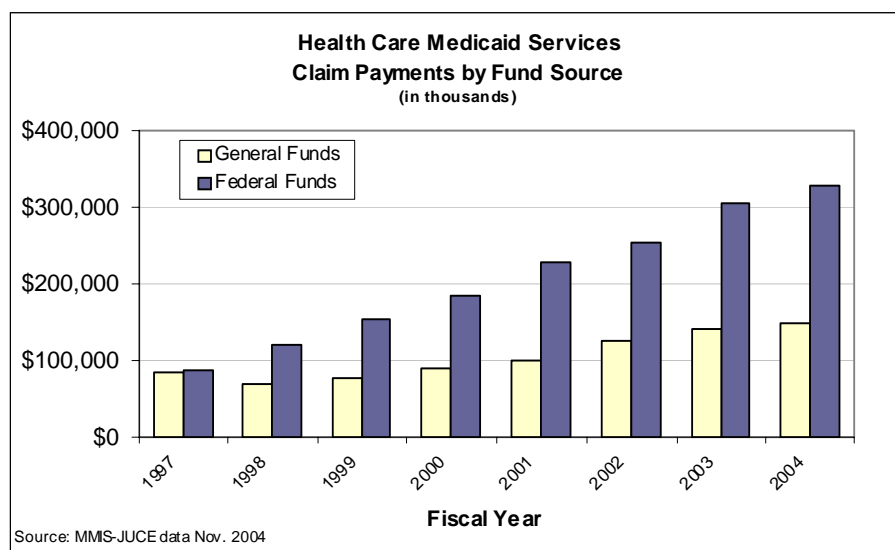
Health Care Medicaid Services experienced a 14% annual average rate of growth over the last five years. While the component continues to grow, the rate of growth has slowed recently. Cost increases are due to increases in both costs and number of clients served.

Health Care Medicaid Services Historical Utilization			
	Enrollment	Beneficiaries	Claim Payments (in thousands)
FY 1999	94,500	79,770	\$235,260,201
FY 2000	111,100	92,100	\$277,807,576
FY 2001	118,100	100,150	\$333,979,465
FY 2002	124,920	110,570	\$398,598,095
FY 2003	128,190	116,840	\$484,435,837
FY 2004	129,555	119,321	\$525,882,460

Source: MMIS data



Growth rates for the HCS Medicaid service categories have averaged 17.6% annually for the past five years. Largest growth areas include pharmacy at an average of 24.8% and transportation costs at an average of 25.9%. In FY2003, nearly 18% of all Medicaid expenditures were 100% federally funded through HIS facilities.



Medicaid core services eligible numbers encompass all Medicaid eligibles statewide. Recipient numbers, persons using the services provided, have continued to grow for the past 4 years. Physician services are the most highly utilized category of services with pharmacy being second.

Medical Assistance Administration

Transfer in funding from Medicaid Services component for Medicaid Operations Contract Costs and Enhanced Program Oversight \$578.8 Federal Funds; \$78.8 G/F Match

This request allow the division additional authority of \$480.0 to fund the Medicaid contract at full capacity under the claims payment processing agreement.

The remaining funding is for positions to provide increased oversight of the state's Medicaid Program in compliance with legislative and federal directive and mandate. The division has been tasked with implementing more controls over costs, quality health care assurance, fraud and abuse, and general administration of the Medicaid program and the Medicaid Management Information System (MMIS).

Increment to Implement New Payment Error Rate Measurement Program -- \$39.7 Federal Funds, \$39.8 GF Match. This increment is needed to implement new Medicaid Case eligibility and medical service review requirements mandated by federal Payment Error Rate Measurement (PERM) regulations.

Transfer Maternal and Child Health to the Division of Public Health – (\$1,323.5) Federal Funds, (\$194.9) GF Match, (\$385.0) I/A Rcpts, (\$682.1) Rcpt Svcs. It has been determined that the responsibilities and purposes of this program are better-suited under the Division of Public Health. The programs transferred include: Family Planning, Oral Health, Breast and Cervical Cancer Health Check, Pediatric Specialty clinics, Newborn Hearing Screening, and, the Genetics and Birth Defects Clinics.

Transfer In to consolidate Health Care Services Administrative Services into Medicaid Assistance Administration \$11,693.1 Federal Funds; \$4,015.2 G/F Match; \$191.0 GF; \$50.0 Sr. Care

The Division of Health Care Services is consolidating administrative components into one component under one RDU.

Health Purchasing Group

Transfer In funding in the commodities line \$37.1 Federal Funds; \$37.0 GF Match
This transfer places adequate funding in the commodities line for the Health Purchasing Group that was initially budgeted at zero in error.

Increment to Establish the SeniorCare Program CH 3 SLA 04 -- \$50.0 Sr Care. This increment is requested to record the fiscal note appropriation associated with CH3, SLA2004, (HB374) which establishes the SeniorCare Program.

Women's and Adolescents Services

This program will be transferred to the Division of Public Health in FY2006.

This page left blank.

Juvenile Justice

Mission

Address juvenile crime by promoting accountability, public safety and skill development.

Introduction

The Division of Juvenile Justice provides services to juveniles who commit a delinquent offense. The Division responds to the needs of juvenile offenders in a manner that supports community safety; prevents repeated criminal behavior; restores the community and victims; and develops youth into productive citizens. Services are provided in the least restrictive setting that will both ensure community protection and promote the highest likelihood of success for the juvenile offender.

Core Services:

- Short-term secure detention
- Court-ordered institutional treatment for juvenile offenders
- Intake investigation and outcome
- Probation supervision and monitoring
- Juvenile offender skill development

The Division is continuing the process begun in the latter part of FY03 to ensure that:

- Alaska has a balanced juvenile justice continuum that uses its resources effectively and efficiently
- The state's juvenile justice system makes decisions based on objective criteria
- DJJ is a data-driven agency and uses information to improve quality of services and ensure desirable outcomes for offenders, victims and the public

There are a variety of individual elements to the work completed by DJJ this past year that will continue to comprise the Division's ongoing system improvement process. Although these are summarized at the end of the overview in an updated timeline, DJJ's three primary initiatives for the remainder of FY05 and throughout FY06 are outlined below.

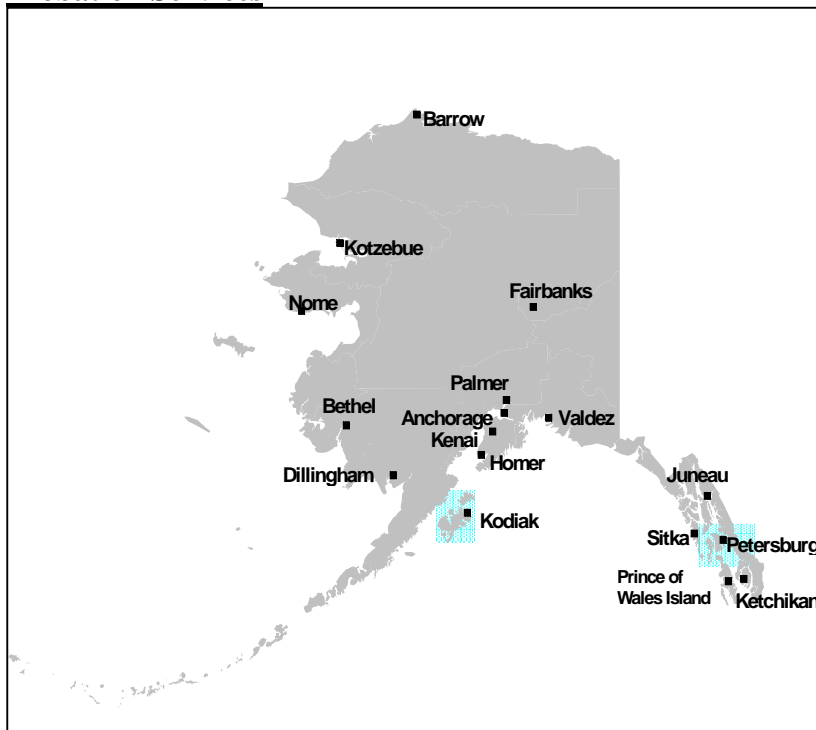
In FY06, DJJ will continue its work on the objective detention assessment instrument (DAI) implemented in November 2003. This screening tool is intended to ensure that youth are detained in a locked bed for public safety reasons and not due to lack of alternative resources. Efforts to develop a range of services in the community will continue and agency resources will be re-invested to the front end of the service continuum to support the goals of reduced recidivism and improved public safety.

The pilot project implementation of a research-based approach to risk and need assessment for juvenile offenders that began in FY05 will be fully implemented in FY06. The new instrument and accompanying process is called the Youth Level of Service- Case

Management Inventory (YLS-CMI). This improved process will enable DJJ to have more thorough information to assess a youth's level of risk to re-offend earlier in the juvenile justice process, contributing to improved case decision-making and more appropriate matching of youth needs to the level of intervention and resource allocation.

Additionally, the Division is implementing the ongoing quality assurance process of Performance-Based Standards (PbS) in all of its eight juvenile facilities statewide. PbS was developed by the Council of Juvenile Correctional Administrators (CJCA) in conjunction with the federal Office of Juvenile Justice and Delinquency Prevention (OJJDP). This data-driven accountability system is being used by an increasing number of jurisdictions nationwide to measure the effectiveness, safety and security capability of juvenile facilities. PbS requires regular data collection and review, comparison to national field averages and the development of individual facility improvement plans to address any deficiencies found as part of the ongoing quality assurance process.

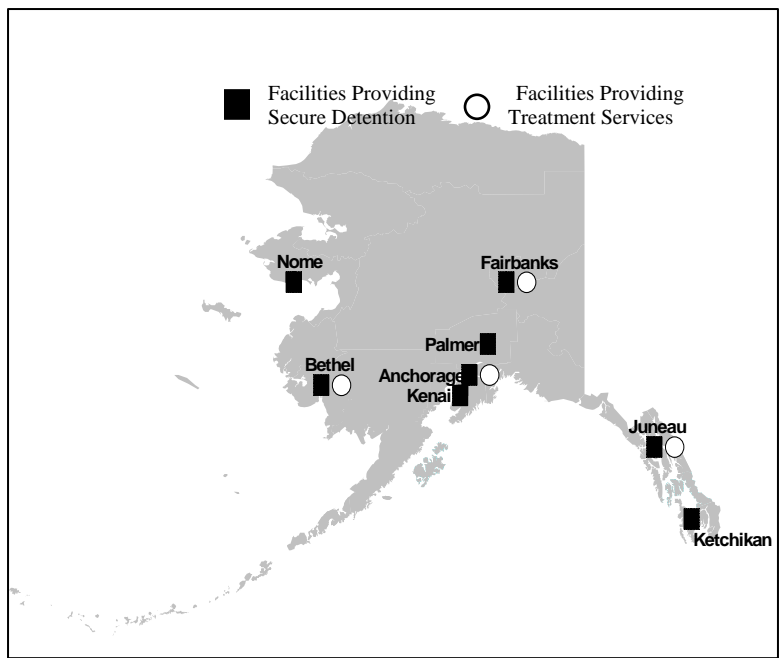
Probation Services



Juvenile probation officers provide preventive and rehabilitative services by conducting intake investigations of youth who are alleged to have committed delinquent acts, including determining legal sufficiency to take further action; completing detention screening; implementing diversion plans; initiating formal court action against juvenile offenders; contacting victims; providing formal community probation supervision services for adjudicated youth; assisting in reentry into the community following release from secure juvenile institutional care. Alaska's juvenile probation officers work out of offices based in 17 communities around Alaska.

Juvenile Detention and Treatment Facilities

Youth facilities in Alaska perform two primary functions: 1) Detention Units are designed as short-term secure units for youth who are awaiting court hearings; and 2) Treatment Units are designed for youth who have been ordered by the courts into long-term secure treatment. There are eight Detention Units and four Treatment Units around the State. The Division is continuing the process begun last fiscal year to have stand-alone detention facilities develop a continuum of detention services that will include some facility staff providing non-secure detention and transitional, re-integration services in the community.



Annual Statistical Summary of Services in FY2004

FY2004 Delinquency Referral Summaries

The following charts provide a summary of FY04 referrals. With the exception of Chart E, each chart summarizes by category a total of 6,189 reports.

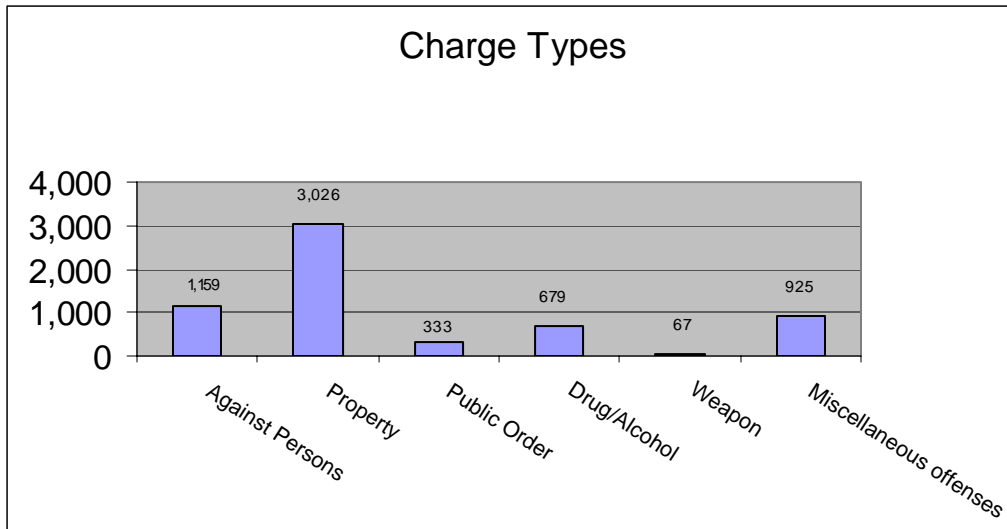


Chart A

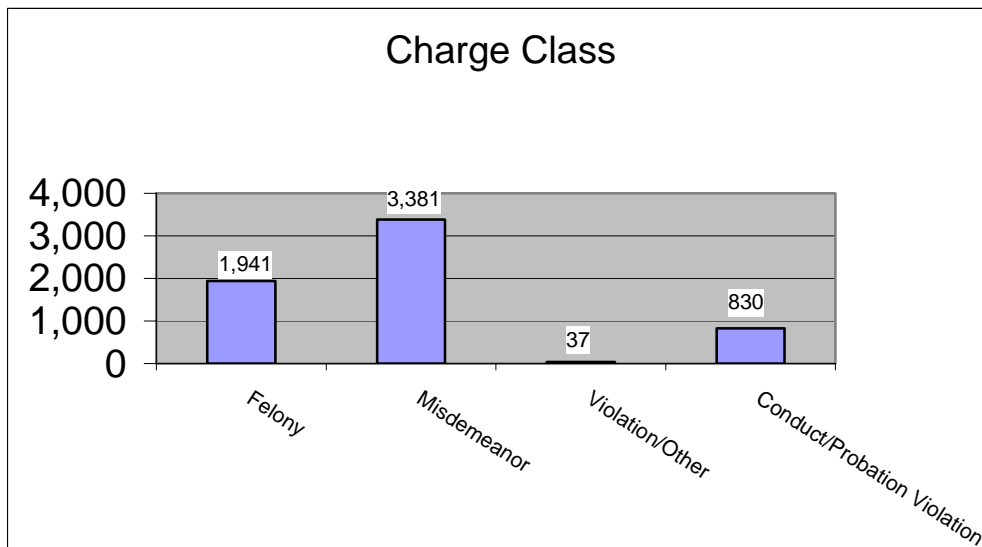


Chart B

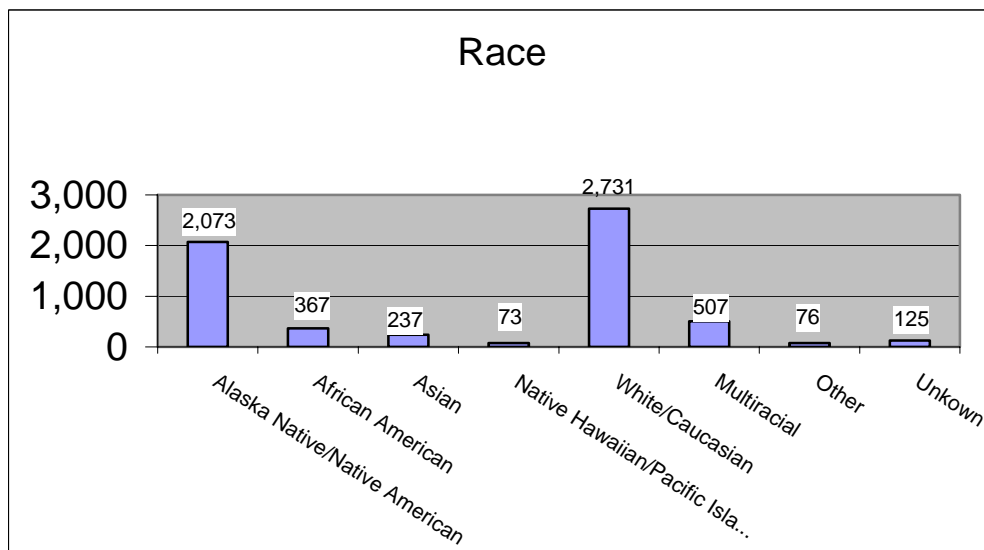
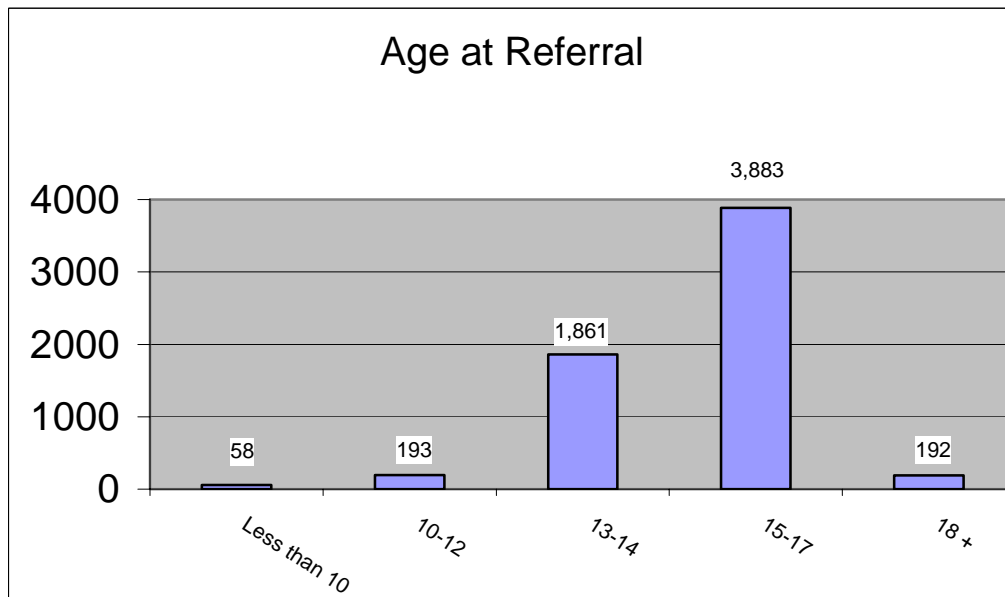


Chart C

Chart D

Chart E There is no age data for two juveniles in FY2004. Those two are not counted above.

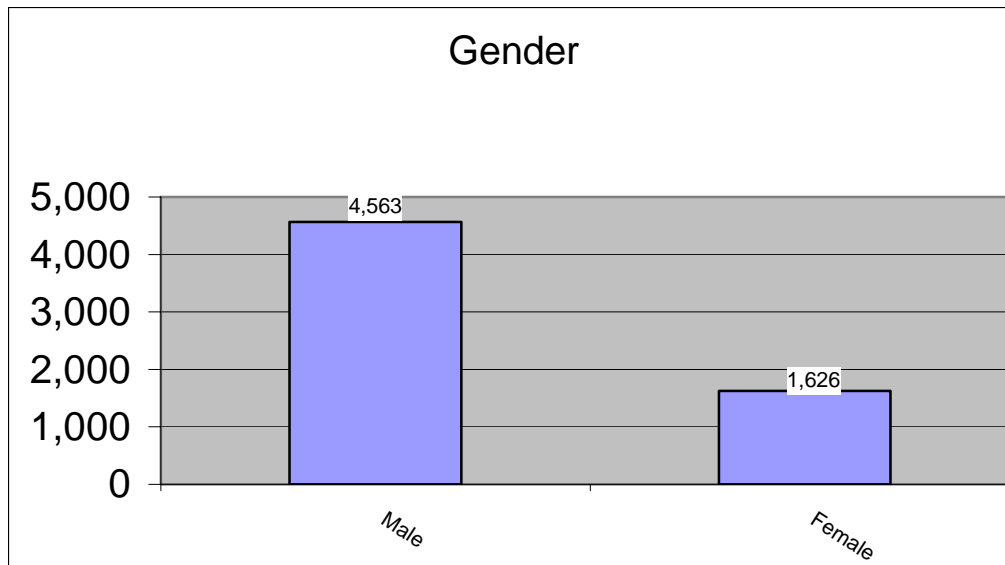


Chart F

This next table indicates the number of hard beds that existed during FY04. The table also shows the McLaughlin Youth Center's bed capacity reduced by 20 beds. This reduction was due to the closure of Cottage 5. Further explanation of this is detailed under McLaughlin's narrative section.

It is expected that in late spring 2005, the Nome Youth Facility expansion project will be complete. At that time the hard bed capacity will increase to 14.

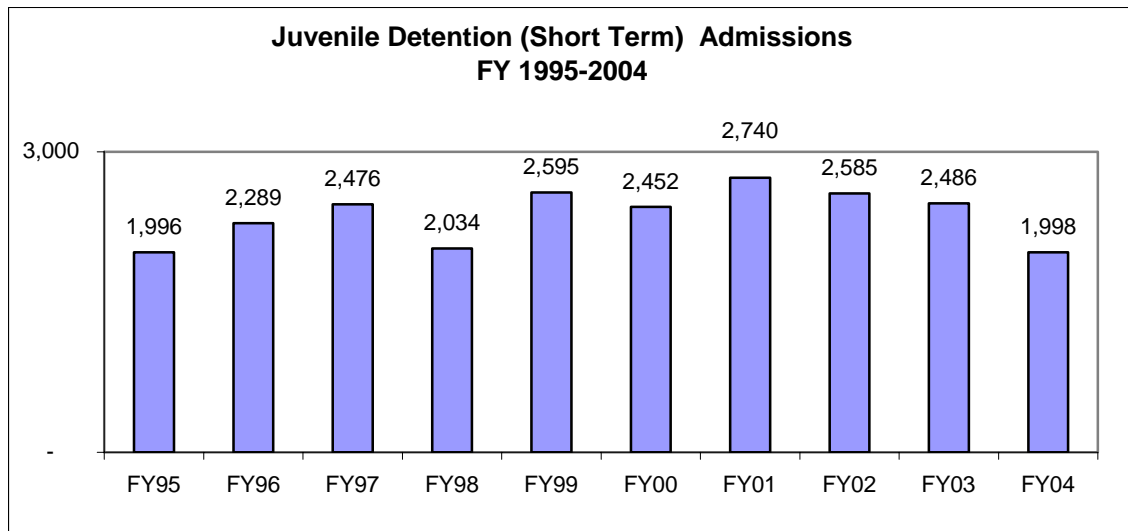
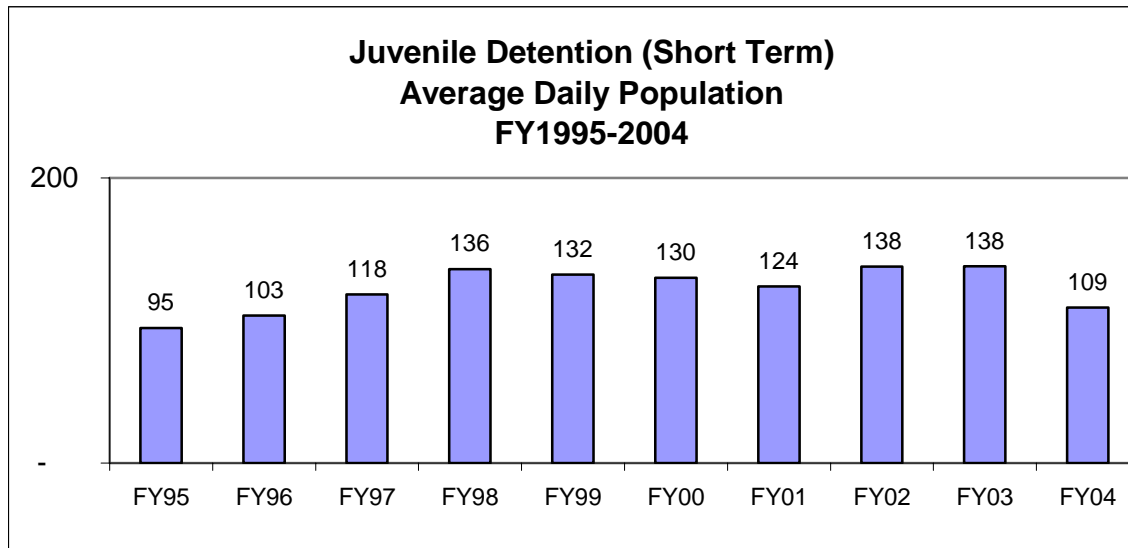
Youth Facility Existing Hard Bed Capacity			
	Existing Capacity	Changes	Total Beds
McLaughlin Youth Center	180	(20)	160
Fairbanks Youth Facility	40		40
Johnson Youth Center	28		28
Bethel Youth Facility	19		19
Nome Youth Facility*	6		6
Mat-Su Youth Facility	15		15
Ketchikan Youth Facility	10		10
Kenai Peninsula Youth Facility	10		10
Total	308	(20)	288

*In FY05, Nome capacity will increase to 14 beds.

Facility Data

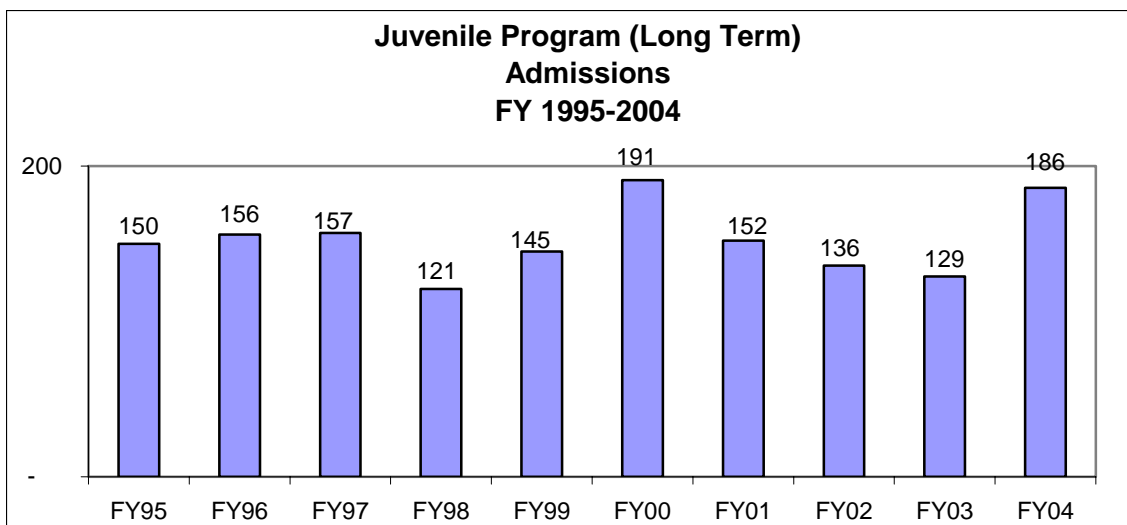
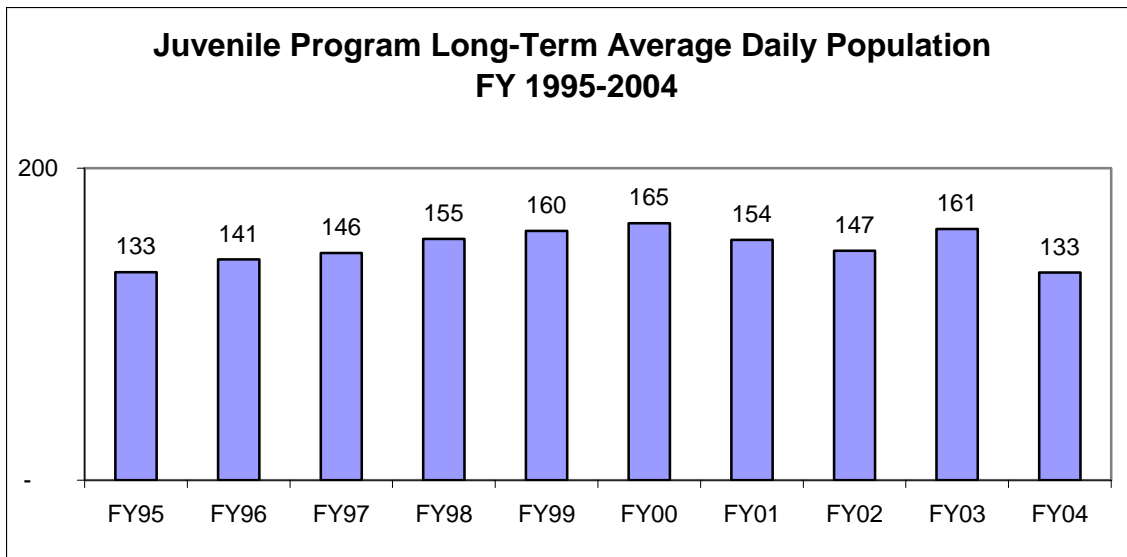
Detention Units – Detention and Treatment Units

Below are charts showing juvenile detention average daily population and admissions for FY 1995 to FY 2004. Detention Units are designed as short-term secure units for youth who are awaiting court hearings. Statewide detention capacity in FY 2004 was 133 beds.



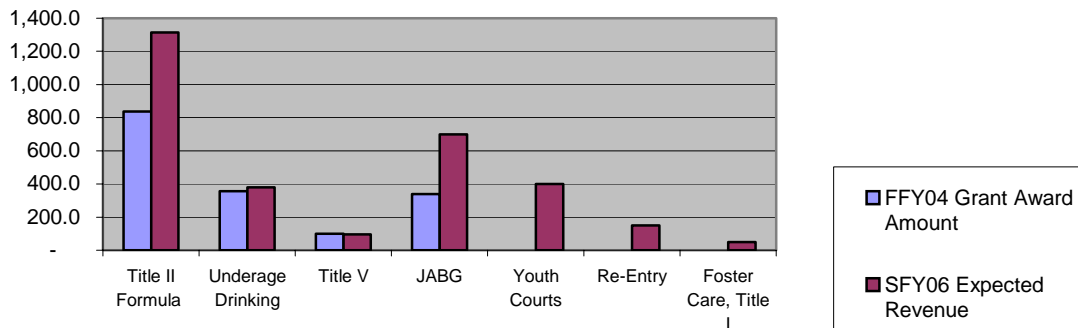
Treatment Units

Below are charts showing juvenile program average daily population and admissions for FY 1995 through FY 2004. Treatment Units are designed for youth who have been ordered by the courts into long-term secure treatment. Statewide treatment bed capacity in FY 2004 was 151, excluding the 4 unlocked crisis stabilization beds in Ketchikan.



The Alaska Juvenile Justice Advisory Committee (AJJAC) serves as the Congressionally mandated state advisory group to the Division in its use of federal funds and juvenile justice programming. The following chart provides a visual breakdown of the FY2004 grant programs funded and the revenue we expect to receive in SFY06. Note that in some cases the expected revenue exceeds the award amounts. This is because of carryover from previous years of various grant awards. In addition, it is expected the division will receive approximately \$1.0 million for a Youth Court Grant from the federal government.

FFY04 OJJDP* Grant Award Amounts and SFY06 Expected Revenue



*Office of Juvenile Justice and Delinquency Prevention

List and Description of Primary Programs and Statutory Responsibilities

Delinquent Minors (Alaska Statute 47.12)

The Division, through its Juvenile Probation Officers, determines whether juvenile cases are handled informally through community diversion programs or for more serious offenses, through the court system. This statute also allows for the temporary detention of minors and long-term institutional care.

Juvenile Programs and Institutions (Alaska Statute 47.14)

The Division operates youth facilities in Anchorage, Mat-Su, Fairbanks, Juneau, Bethel, Ketchikan and Nome. The Kenai Peninsula Youth Facility opened with its first residents in December of 2003. Probation offices are located in the same communities as the above-referenced facilities. In addition, there are probation offices in Sitka, Petersburg, Prince of Wales, Kodiak, Dillingham, Homer, Valdez, Barrow, and Kotzebue.

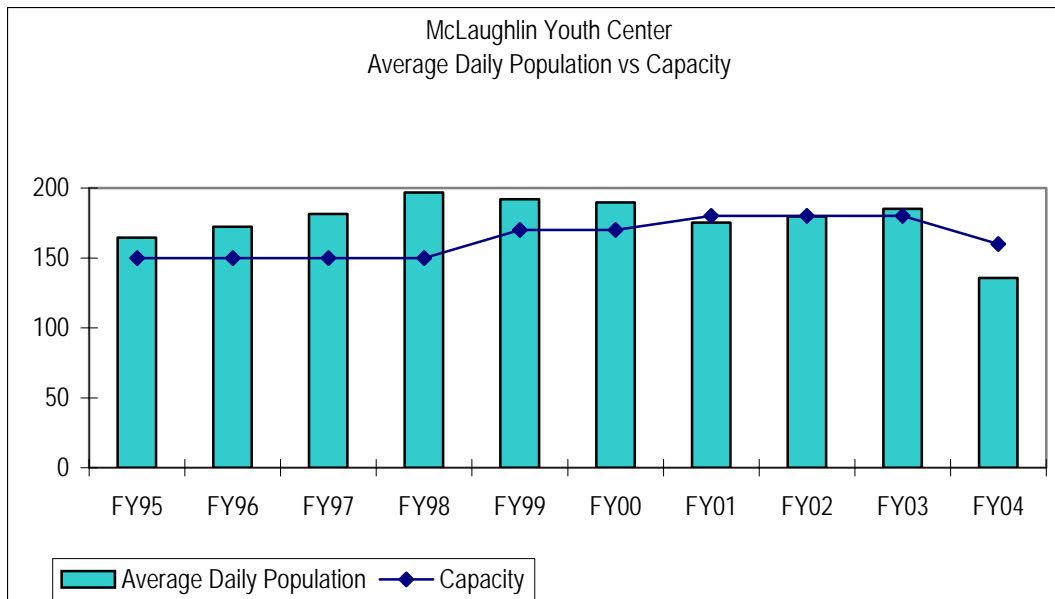
McLaughlin Youth Center (MYC)

MYC currently has 160 beds (60 detention beds, 95 longer-term treatment/training school beds and 5 beds which can be used as either detention or treatment). The Detention Units serve the Third Judicial District, which includes the Municipality of Anchorage, Matanuska-Susitna Borough, Cordova, Valdez, Kodiak, Dillingham and Aleutian/Pribilof Islands. The Training School (three Cottage Programs, Classification Unit, Closed Treatment Unit, Transitional Services Unit and Intensive Community Supervision) provides long-term residential services for institutionalized delinquent adolescents, primarily from the Third Judicial District. MYC, because of its size and history as the State's first facility, has developed a range of program options that do not exist in most of the smaller facilities. In addition to secure detention and long-term treatment, MYC also provides community detention, sex offender treatment, a separated female detention and treatment unit, a closed treatment unit (CTU) for juveniles whose behavior or history require a high level of security and treatment, and transitional services for youth leaving long-term institutional treatment.

The re-direction of existing funds that began under the system improvement plan by the Division in FY04 will allow for the addition of a mental health clinician and three Community Detention staff in FY05. This re-direction will result in increased programming and an expanded continuum of services available for youth. Collaboration with the Anchorage School District is anticipated to expand the duration of the MYC summer school program. In addition, the Transitional Services Unit (TSU) continues to contribute to overall treatment programming at MYC through risk/needs assessment, collaborative service planning and involvement with community partners. The TSU Aftercare Program Model has recently been identified by the Center for Research and Professional Development as a national "promising practice". Key challenges include maintenance of the aging facility and disproportionate minority representation in both detention and treatment.

The chart below indicates the average daily population and capacity during several fiscal years. In FY 1999 a new Detention Unit was opened, increasing the overall capacity to 170. In FY 2001, the classification unit moved to a new location and increased the capacity for that unit by five; that same year Cottage 5 increased the bed number by five also, bringing the total capacity to 180. In FY 2004, the total capacity was reduced to 160 with the closure

of Cottage 3 and conversion of the program to the Transitional Services Unit. Community Detention opened in FY 2001 with a capacity of 20; however these are now classified as “soft” beds and not counted in the overall capacity.

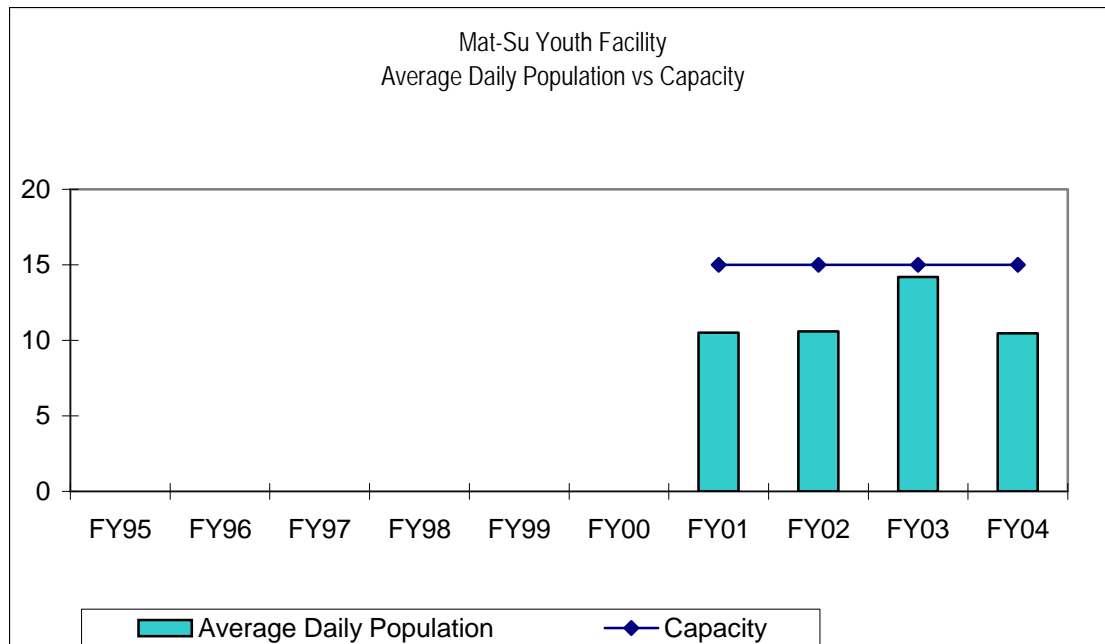


Mat-Su Youth Facility (MSYF)

MSYF provides a 15-bed, secure setting for juveniles from the Mat-Su District who are alleged to have committed a crime, and who are being detained due to their potential for further harm to the community or self, until their cases can be investigated and processed through the courts. The facility has also begun to function as a step-down facility for youth who are returning to the community from a long term secure treatment program. The facility also houses the Mat-Su DJJ Probation Office.

In order to help address ongoing mental health and substance abuse problems in these populations, facility staff also assists in the planning for, and implementation of, educational and support services for residents. This involves the active participation of community partners within the facility. Efficient assessment and identification of services within the community and within the facility is essential.

Facility staff work closely with community partners to ensure there is also a continuity of support for youth deemed ineligible for secure detention, as scored on the Division’s Detention Assessment Instrument, and in keeping with the Division’s policy to assure the appropriate length of stay for youth in detention. This fiscal year, MSYF has shifted from a facility emphasis devoted strictly to detention to one that also functions as a transitional services facility for youth returning to the Mat-Su area after a period of institutionalization in Anchorage or elsewhere. This change helps insure the most efficient and beneficial use of treatment beds around the state. Aftercare services include intense community supervision and close coordination of intervention services within the community. Research has shown that timely and comprehensive, community-based aftercare services lessen the likelihood that juveniles will commit more crimes and return to a secure environment.

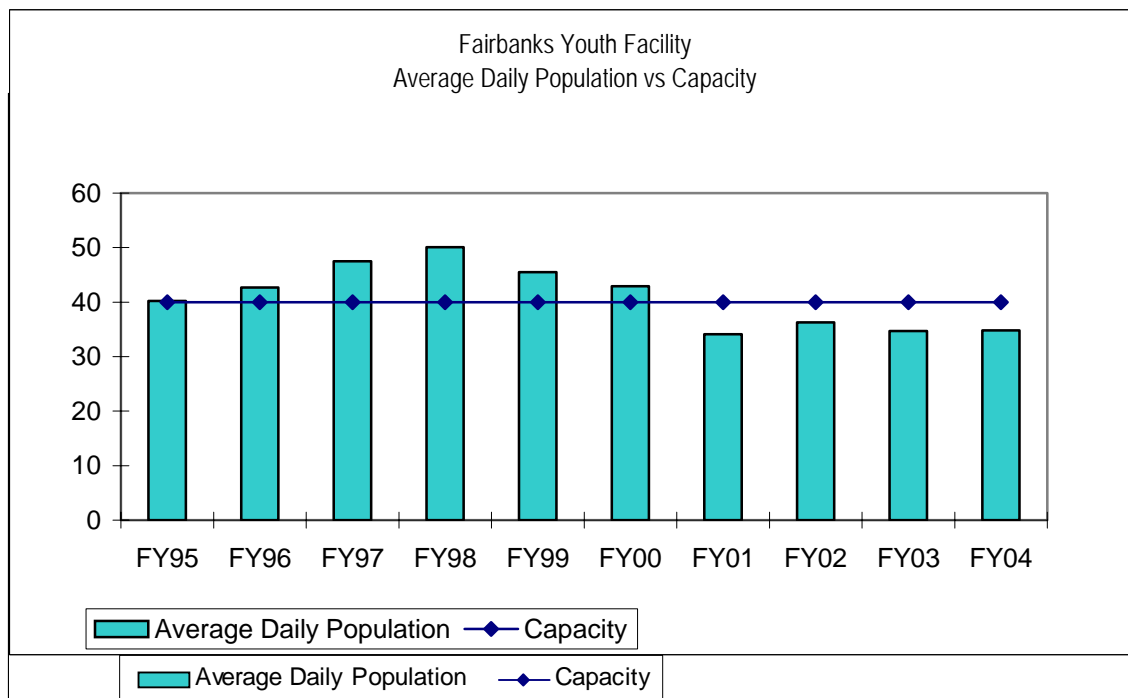


Kenai Peninsula Youth Facility (KPYF)

This is the newest facility within the Division of Juvenile Justice. The first residents entered the facility in December 2003. The KPYF provides a ten-bed, secure setting for juveniles in the Kenai Peninsula area who are alleged to have committed a crime, and who are being detained due to their potential for further harm to the community or self, until their cases can be investigated and processed through the courts. The facility has also begun to function as a step-down facility for youth who are returning to the community from a long term secure treatment program. In addition, the facility houses the DJJ Kenai Juvenile Probation Office and provides educational services in partnership with the local school district.

The initial stage of establishing a new detention facility in the community has been a crucial time for the facility. The staff have worked hard to develop positive resident and staff cultures in the facility and continue to work with the community to define the role of the facility in the community. Defining relationships with key community agencies is an ongoing process and will help ensure that the facility can carry out its mission. This dialogue with community partners will continue to be emphasized in the coming year and will incorporate juvenile probation and facility staff to reinforce the facility's role as a component of a larger overall continuum. The facility also provides educational services, daily activities, recreational programming, life skills education, substance abuse education, and works with residents on various issues including victim empathy, lifestyle choices, and decision making.

In keeping with DJJ's system improvement plan to maximize agency resources and ensure quality services for youth, the facility is working on developing the capacity to provide community-based reintegration services for youth who reside in Kenai and the surrounding communities. This allows for the earlier return to Kenai for those youth who are court ordered to locked institutional treatment in other parts of the state, thereby enabling active participation of parents and family members, local community providers and other treatment team members critical to a youth's success upon completion of an institutional stay.



The Kenai Peninsula Youth Facility opened in December of 2003. The data collected is for 6.5 months.

Fairbanks Youth Facility (FYF)

FYF consists of a twenty-bed Detention Unit and a twenty-bed Treatment Unit. The Detention Unit houses and offers services to alleged and adjudicated offenders who require secure confinement while awaiting disposition of their case in court. The Treatment Unit houses and makes rehabilitative services available to adjudicated offenders who have been institutionalized by the Court for long-term treatment. The Fairbanks Youth Facility is the second largest of Alaska's juvenile correctional facilities and the Northern Region is the largest geographical area served by the Division in the State.

In FY06, FYF will emphasize the development of a structured vocational/technical curriculum to provide individualized opportunities and an increased focus on working with Native organizations to improve culturally relevant services for youth in or transitioning out of the facility. This will assist juveniles in a gradual and successful re-entry to the community following institutionalization and treatment. Youth with mental health needs or experiencing Fetal Alcohol Spectrum Disorders increasingly require one-on-one supervision and individualized programming, resulting in staff resource challenges. In addition, FYF is one of the state's oldest facilities and continues to need repair and renovation of its physical plant.

Bethel Youth Facility (BYF)

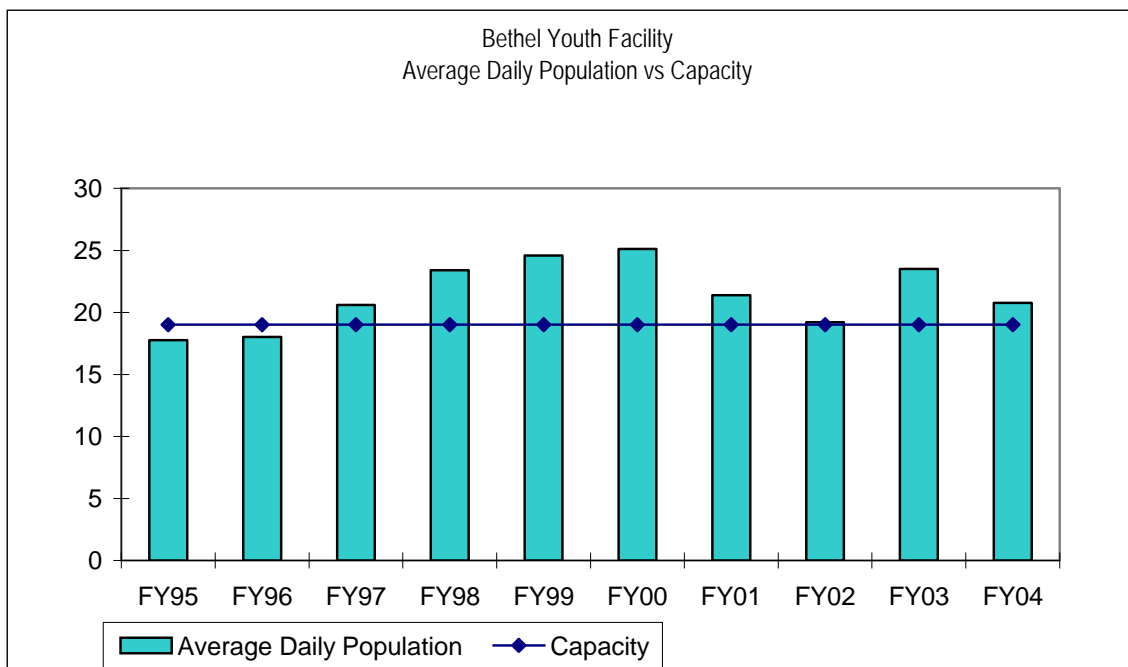
The Bethel Youth Facility (BYF) is the only youth facility in the entire Yukon-Kuskokwim Delta, an area the size of Oregon. The facility consists of an eight bed Detention Unit and an eleven bed Treatment Unit. The Detention Unit houses and offers services to alleged and adjudicated offenders who are either involved in the court process or awaiting other

placement. The Treatment Unit houses and provides rehabilitative services to adjudicated offenders who have been institutionalized by the Court. Both Units are co-ed; the Treatment Unit is the only co-ed institutional treatment program in the Northern Region of Alaska. The facility's population is largely Alaska Native, particularly Yup'ik Eskimo, and comes to the facility from a wide geographical area including Southwestern and Southcentral Alaskan communities as well as Barrow, Nome, Kotzebue, and Fairbanks.

During FY 04, juvenile offenders were housed at BYF for a broad range of offenses, including adjudications for murder charges. A significant percentage of residents have Fetal Alcohol Spectrum Disorders and other mental health needs. A significant decrease in the number of admissions to the BYF (from 258 in FY 03 to 172 in FY 04) was attributed in large part to the adoption of statute and policy changes that ended the admission of youth solely for protective custody purposes (such as for mental health needs or drug and alcohol impairment). In preparation for these changes, staff of the facility worked closely with community partners to ensure that youth who would formerly have been housed at the facility received appropriate services elsewhere in the community.

In spite of the declines in admissions and average population, the facility continued to operate at an average of 25% above design capacity for residents throughout FY 04. Facility staff manages the overcrowding at the facility in part thanks to several creative, collaborative efforts with local agencies and individuals. These efforts are aimed at ensuring community protection, holding youth accountable for their behavior, providing opportunities for offenders to repair the harm they have caused their victims and communities, and understanding and respecting the cultural backgrounds of the youth in the facility's care.

The lack of adequate space at the facility continues to pose challenges for staff as well as residents. Probation officers and other staff are required to share offices or sit at the reception desk. Visiting contractual service providers must use offices of facility staff (compromising the ability of both workers to perform their duties). The facility's maintenance worker and a new mental health clinician have no identified workspace. The need for adequate space for both residents and staff, as well as the escalating repair needs for a 15-year-old structure that has endured hard, intensive use is the most significant challenge facing BYF at this time.



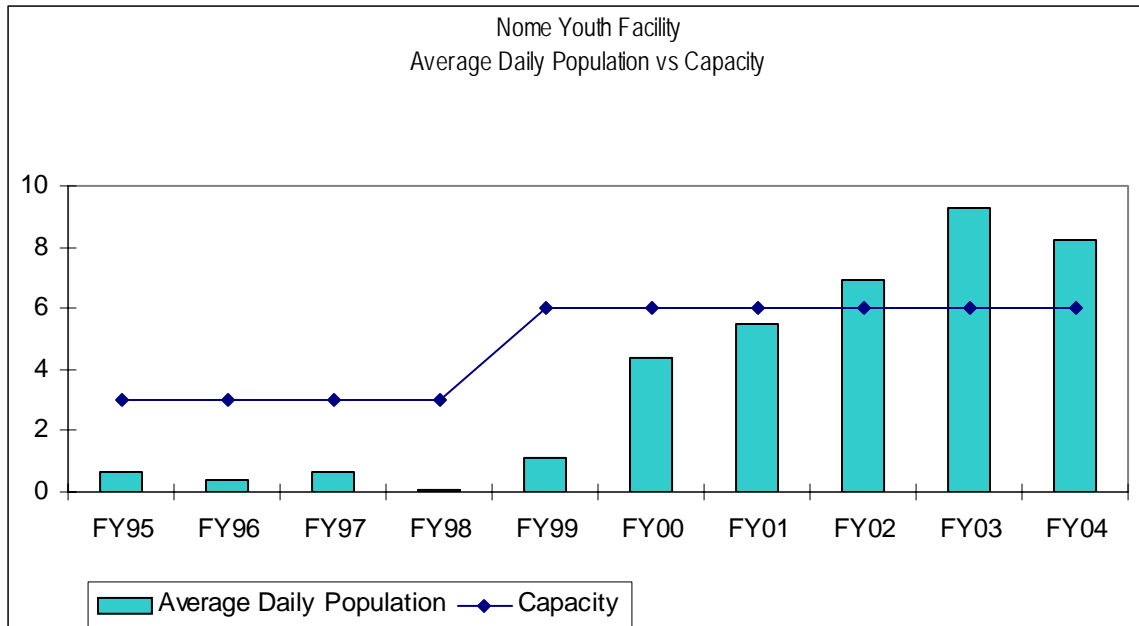
Nome Youth Facility (NYF)

NYF operates as a short-term detention facility for juveniles of the Nome and Kotzebue region. Treatment services have steadily grown for the residents in the past few years with a program that emphasizes offender accountability. The facility is considered minimum security and in FY 06 will expand from a 6 bed to a 14 bed detention program upon completion of an extensive renovation and expansion project begun in FY05. The resident population is primarily male and nearly all Alaska Native. The residents are commonly detained for property crimes but there has been an increase in the number of residents charged with major assaults and/or sexual crimes. Many of the youth have a history of substance abuse and/or inhalant abuse. The facility has continued to experience significant overcrowding, operating at 150% capacity in FY 2003 and at 137% of capacity for FY04.

The Average Daily Population vs. Capacity chart shows that the capacity at the facility increased in FY99 from three to six. During the time that the facility was closed (due to budget reasons) it was being used only as a short-term holding unit until the youth were sent to Fairbanks or Anchorage for placement.

In 2003 the Legislature addressed the aging facility's significant structural and system problems and insufficient space by funding a major renovation project for the Nome Youth Facility. The expansion project is expected to be completed on time in late spring of FY05. An increment for FY06 has been requested to fully staff the newly renovated and expanded facility. The request is for 5.5 FTEs, to include one Juvenile Justice Officer III position, three additional juvenile justice officer line staff, one administrative clerk and a part-time nurse. The additional staff will allow NYF to maintain the minimum staffing pattern required in order to meet the safety and security standards established for all of Alaska's juvenile detention facilities, and at the same time continue to operate a program that holds

each youth accountable for his behavior. The primary challenge facing the Nome Youth Facility in FY 2006 will be recruiting and training these five additional staff to meet the needs of a 14-bed facility. In addition, the NYF staff will implement an electronic monitoring program this year as another important element in using DJJ facility staff to effectively monitor and supervise youth throughout phases of their institutional stay while maintaining community safety.



Pre-Construction

Nome Youth Facility contained 4,500 square feet of space. The building housed the youth facility with a rated capacity of six juveniles. It was also the home of the Juvenile Probation Offices.

Virtually every aspect of the facility operation took place in this day room. Residents slept in the individual rooms behind each door, but this area served as the everyday living space, school, therapeutic counseling room, recreation area and dining area.



Approximately 70% of the existing youth facility has been demolished in this picture, leaving only the area that will become juvenile probation offices. The expansion above gives an idea of the size of the new facility that will contain 9,700 square feet of space and more than double the

juvenile capacity to a total of 14.

The two-story expanse will house a large storage area, air handlers and a two-story open area serving as the recreation area. One wall will be a climbing wall designed to teach trust and self-esteem in residents. The area will also be the dining hall. Adequate staffing will afford DJJ the opportunity to fully utilize the “state of the art” building.

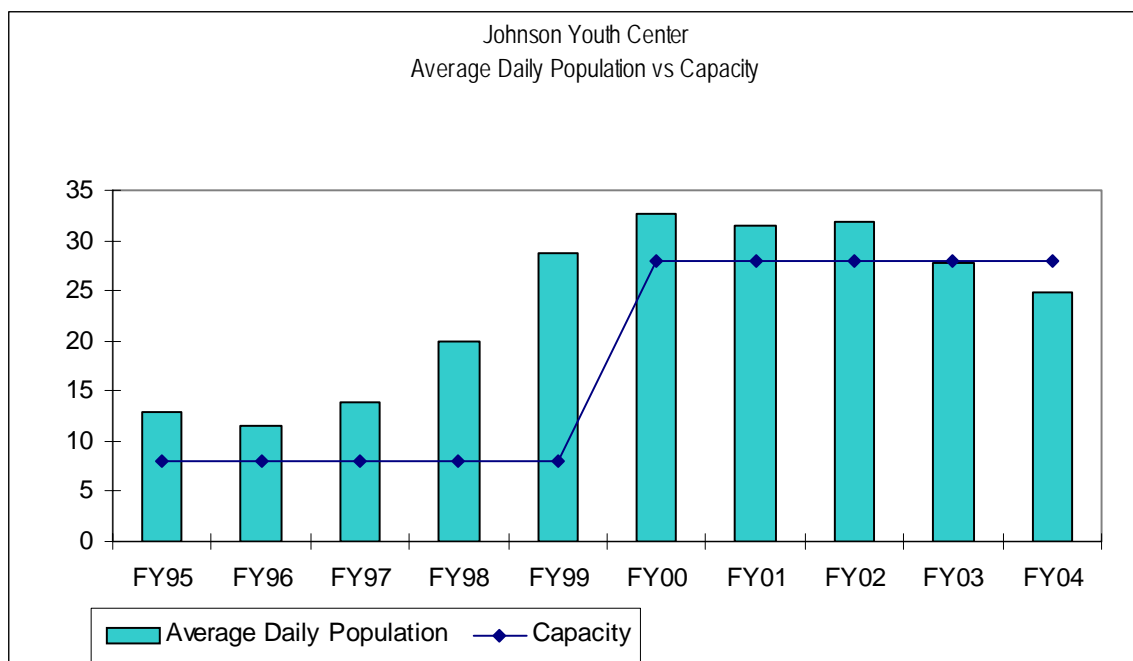


Johnson Youth Center (JYC)

JYC is a 28-bed facility that provides short-term, pre-trial detention, control and intervention for juveniles who have been ordered confined by the Superior Court due to the danger they present to the public and/or to themselves. The Johnson Youth Center Detention Unit provides an array of basic and specialized delinquency intervention services. The Treatment Unit houses and makes rehabilitative services available to adjudicated offenders who have been institutionalized by the Court.

In the next fiscal year, steps will be taken to strengthen the family component for both the Detention and Treatment Units. This will be accomplished by engaging the parents of youth in the intervention process in detention and the treatment process on the treatment unit. Additionally, recruitment and retention of youth counselor staff has been an ongoing challenge for JYC. During FY04, the staff turnover rate was reduced to 8.6%, which is within the targeted percentage for staff turnover. Strategies will continue to be identified and implemented to reduce staff turnover to a minimum.

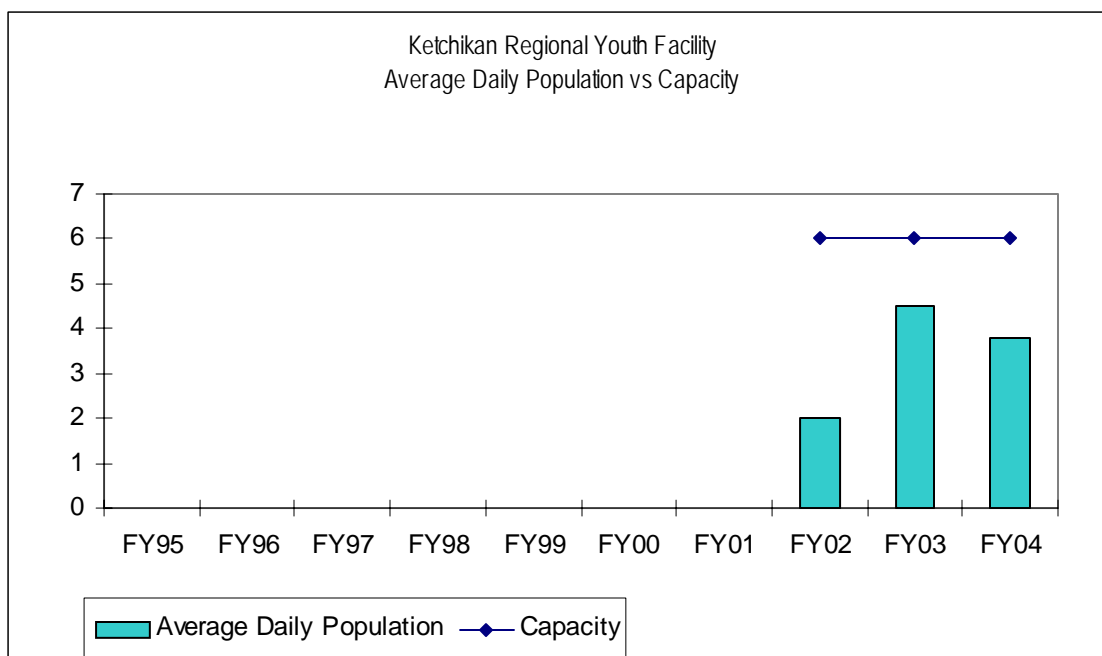
With the hiring of a .5 FTE aftercare juvenile probation officer in the latter part of FY04, JYC is in the process of developing an aftercare program for youth leaving the treatment unit. This is a very welcome addition to the facility's programs and services and is anticipated to further strengthen JYC's ability to assist youth in succeeding upon their release from long term treatment.



Ketchikan Regional Youth Facility (KRYF)

The Ketchikan Youth facility is a 10-bed dual function facility that provides detention of youth who are awaiting a court hearing or who are court-ordered into the facility (6 locked detention beds) and a short-term-crisis respite and stabilization services for youth experiencing a mental illness (4 bed staff secure). The unique combination of a detention unit and a crisis stabilization unit (CSU) in one location is an innovative feature for a youth facility, both in Alaska and in the United States. To date, the majority of the youth served in detention have been drug-affected and in serious conflict with their community, as evidenced by either suspension, expulsion or drop out educational status and a pattern of frequent violations of prior court orders.

The CSU program, due to its uniqueness, has taken some time to develop and integrate into the community of Ketchikan and the surrounding areas. During the past year the CSU increased its utilization significantly as a result of revised program parameters and outreach following a regional meeting held between DJJ, Ketchikan, and regional mental health providers. In coordination with the Juvenile Probation Office in Ketchikan, KRYF implemented an electronic monitoring program for five youth beginning in the latter part of FY 2004. Electronic monitoring has always been a program favored by the Ketchikan courts as an alternative to detention. The facility staff installs the equipment and provide youth and parent groups scheduled check-ins to ensure that youth are being held accountable. They also provide contact with the schools and respond to any alarms from the electronic monitoring equipment. This program is aligned with DJJ's system reinvestment plan to develop a balanced juvenile justice service continuum that uses resources effectively and efficiently. The electronic monitoring program in Ketchikan has been modified and adapted for use by other detention facilities across Alaska. The challenge for this program will be to build upon the parent groups that were started last year.



*The capacity for KRYF includes only the six locked detention beds.

Explanation of FY2006 Budget Changes

Juvenile Justice	2005	2006 Proposed	06 to 05 Change
General Funds	32,841.9	35,566.3	2,724.4
Federal Funds	3,036.2	3,087.4	51.2
Other Funds	935.9	932.6	(3.3)
Total	36,814.0	39,586.3	2,772.3

The Division is statutorily mandated to protect the public, hold juvenile offenders accountable, restore victims and communities and develop offender competencies to reduce the likelihood of re-offense. A balanced and restorative justice approach to services and programming ensures that juvenile offenders take personal responsibility for repairing the harm caused to victims and communities as a result of their delinquent conduct.

Nome Youth Facility

Nome Youth Facility Expansion from 6 to 14 Beds \$451.8 GF

The expansion of the Nome Youth Facility should be complete by late spring of 2005. This increment is for an additional 5.5 positions, which is in alignment with other DJJ facilities and adheres to DJJ's established staffing ratios for 24-hour institutions. The request is the minimum requirement for the facility to ensure basic safety, security and order within the detention facility. The existing permanent staff are insufficient to cover the required shifts needed to keep a 14-bed facility open 24/7.

Northwest Alaska, including the communities of Kotzebue, Nome, and the surrounding 28 villages, an area the size of Pennsylvania, is served by one small juvenile detention facility, the Nome Youth Facility. The facility staff, along with juvenile probation offices and community partners, is faced with the challenge of providing detention and intervention services for a very large and remote area of the state. Additionally, there is the recognition that intervening/rehabilitating juveniles within the region is far more effective than transferring them to larger institutions outside the community, or outside the state. Additionally, costs for transporting multiple juveniles out of the region are exorbitant and consume excessive staff time.

The level of referrals in the Nome region and the seriousness of the type of youth requiring secure detention, coupled with the expansion of the facility from its existing six beds to a rated 14 bed capacity necessitates additional staffing in order to adhere to established staffing ratios. The additional 5.5 FTEs include one Juvenile Justice Officer III position (\$86.8), 3 additional line juvenile justice officer staff (\$72.7 x 3), a part-time facility nurse (\$68.4) and an administrative clerk (\$64.7). The remaining \$13.8 of requested funds will be used to cover anticipated contractual obligations for phones, power, etc.

The facility has been averaging above capacity for the past year two years. Average utilization was 150% of capacity in FY03 and 137% of capacity in FY04. If these positions

are not funded, additional costs would be accrued through the use of non-permanent positions and there would be a significant increase in overtime costs. The reliance on overtime to fully staff a youth facility is poor management practice and not sustainable. Excessive overtime is not cost efficient and also results in undue burden to already overtaxed facility staff often leading to increased safety and security risks for both residents and staff. This would likely result in increased staff turnover and recruitment difficulties in an area of the state where this is already a serious challenge.

Probation Services

Transfer Federal Funding Authority to DJJ for the Independent Living Program from OCS \$50.0 Federal

The Office of Children's Services (OCS) will be transferring \$50.0 it receives as part of the federal Chaffee Independent Living program to the Division of Juvenile Justice (DJJ). The goal of these federal funds is to support transition for youth aging out of State foster care to enable them to successfully transition to living independently. Because of the way OCS' state plan for the funds is written, DJJ youth have not qualified to receive these funds. There is no federal prohibition regarding using these funds to benefit DJJ youth as long as they meet the eligibility requirements. These funds will be transferred to the Probation Services component.

Transfer Youth Court Funds to Probation Services

DJJ has requested that funds (\$308.3) from the Youth Courts component be transferred to the Probation Services component. This allows for more flexibility by the division to use these funds to provide other juvenile related services as needed, based on data of the client population. These other services may include (but are not limited to) non-secure shelters, other alternate living arrangements, counseling, support or skill development services for both youth and parents, etc. Client needs often change from year to year and it is imperative that Division resources be used in those areas that demonstrate the highest level of need based on data that is collected within the division and feedback from field staff and justice partner agencies. Having the funds in the Probation Services component will support the department's commitment to flexible funding for client services based on needs that are driven by data.

Increase Efforts to Address Juvenile Crime \$1,070.0 GF

Public Safety, Juvenile Accountability and Victim Services:

The mission of the Division of Juvenile Justice (DJJ) is to address juvenile crime by promoting accountability, public safety and skill development.

Juvenile Probation Officers (JPOs) are responsible for:

- Receiving and reviewing police reports involving an offense by a juvenile;
- Determining an appropriate course of action for a youth, which could include counseling with parents, referral to a youth court or other diversion program, or pursuing formal court proceedings. Probation officers base such decisions on a variety of factors, such as the seriousness of the offense, age at time of offense, the

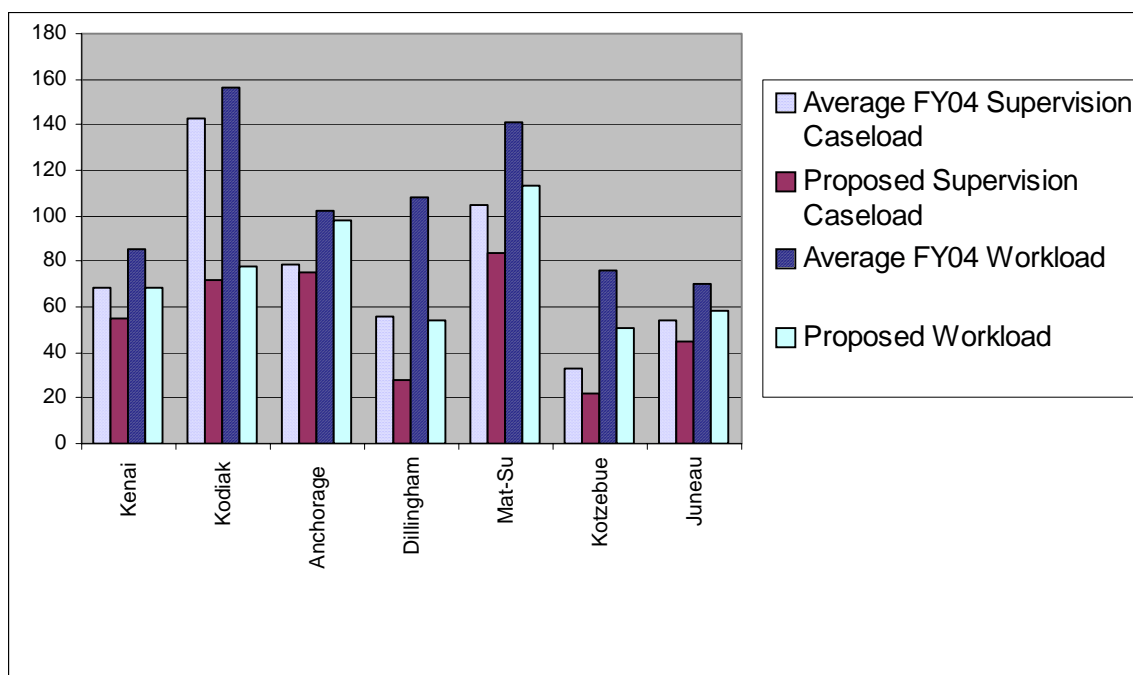
youth's offense history, and the ability to address the delinquent behavior without formal court processing.

- Assisting the youth and family in how to work with the State's public safety, court, and legal systems;
- Contacting victims, involving them in the justice process and determining restitution;
- Monitoring juvenile offenders to ensure they are held accountable and that the public is safe;
- Partnering with families, local agencies, and organizations to involve juvenile offenders in developing skills and reducing the likelihood of re-offense.

Alaska's Juvenile Probation Officers have important responsibilities and are required to be available 24 hours a day, seven days a week, to make critical public safety decisions about youth who have committed crimes. They are expected to respond in a timely manner to juvenile crime, and to provide appropriate levels of supervision and support to offenders, their families, and those who have been impacted by their crimes.

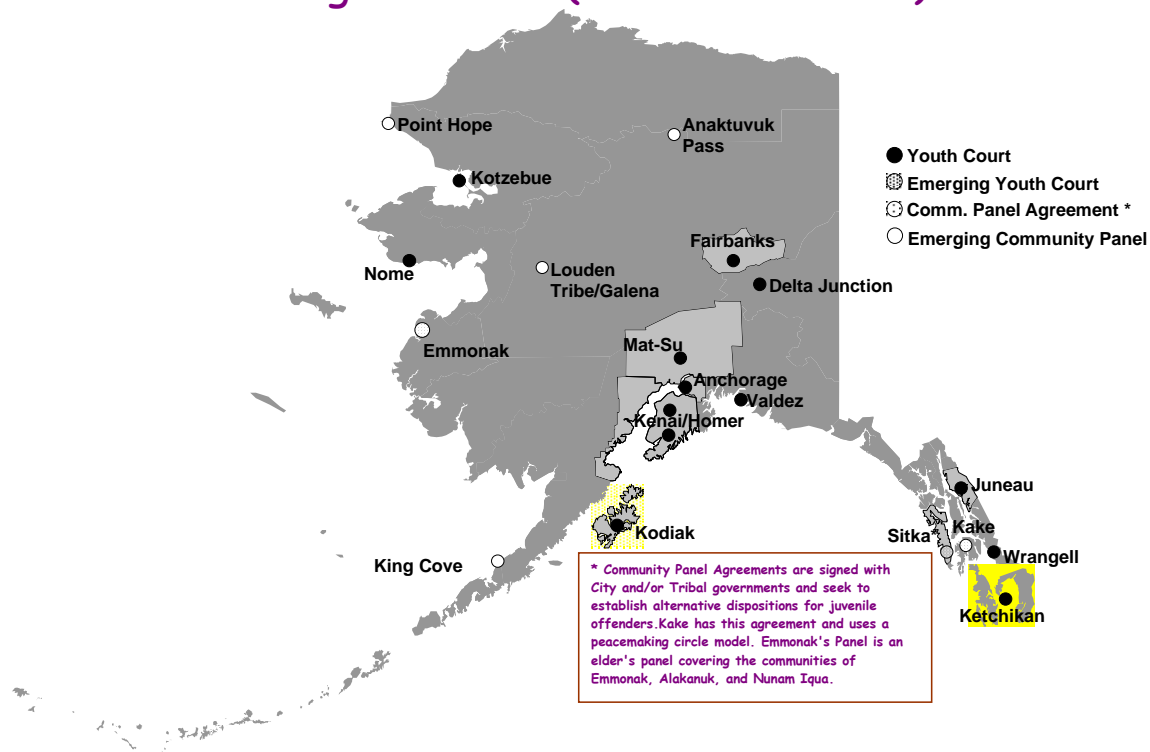
DJJ is continuing its efforts to enhance supervision, safety and accountability capabilities in the community to ensure a comprehensive and more cost-effective approach to juvenile crime. The Division is in the process of implementing a research-based approach to managing juvenile cases through the adoption of the Youth Level Services-Case Management Inventory (YLS-CMI) risk-need assessment process. This significant system change supports DJJ's performance targets of reduction of juvenile crime and improvement in re-offense rates through the use of risk-focused intervention to assist in the juvenile justice decision-making process. The use of the YLS-CMI will enable the agency to move toward public safety decision-making based on the use of a well-researched and validated approach to determining which youth are likely to pose a higher risk to re-offend. Such information will also enable DJJ to more effectively intervene with juveniles and to more appropriately determine the use of resources based on data.

Required resources include seven additional juvenile probation officers to ensure that evidence of risk and need is assessed at the front end of juvenile law violations. These new probation officer positions will be located in Kenai, Kodiak, Juneau, Kotzebue, Palmer, Dillingham and Anchorage. This component request also includes four social service associate FTEs to assist with victim services throughout the state. The positions will be located in Anchorage, Juneau and Fairbanks and will provide services on a regional basis (Anchorage, Southcentral, Southeast and Northern regions).



Research supports the need for a strong community-based service continuum in order to ensure that youth are served in the most appropriate environment based on their level of risk and need rather than defaulting to the most secure and costly resource of locked institutional care. This package includes an increase of \$225.0 for a range of community-based services for youth. The types of services developed will be based on data and level of need in order to ensure the most effective and efficient use of funds. Possible services could include (but are not limited to) youth courts, non-secure shelters, other alternate living arrangements, counseling, support or skill development services for both youth and parents, etc.

Communities with Youth and Community Panel Agreements (as of Jan. 2005)



Youth Courts

Anchorage
 Delta Junction
 Fairbanks Nothstar
 Juneau
 Kenai Peninsula
 (Homes & Kenai
 Ketchikan
 Kodiak
 Kotzebue
 Mat-Su
 Nome
 Valdez
 Wrangell

Emerging Youth Courts

Sitka

Comm. Panel Agreements

Emmonak
 Kake

Emerging Comm. Panels

Anaktuvuk Pass
 King Cove
 Louden (Galena)
 Point Hope

Transfer Funding for DJJ Foster Care Special Needs From OCS \$200.0 GF

The Office of Children's Services (OCS) will be transferring \$200.0 it receives for Foster Care Special Needs to the Division of Juvenile Justice (DJJ) to assist juveniles with special needs. Previously, the OCS had paid for these services for DJJ clients. By mutual agreement, the two divisions have decided that it would be more efficient from a client service perspective for the DJJ to administer these funds directly.

Correction of Funds Moved to Financial Management Services for Integration (\$75.0) GF

During the FY05 budget process, \$75.0 in I/A receipt authority was moved from DJJ to Financial and Management Services as part of the Information Technology integration. The transfer of I/A authority was an error as these positions are funded with GF dollars.

Division of Juvenile Justice System Improvement Summary

Overall Goals:

1. Ensure that Alaska has a balanced juvenile justice service continuum that uses resources effectively and efficiently.
2. Ensure that the state's juvenile justice system makes decisions that are based on objective criteria, are defensible, and ensure desirable outcomes.

Improve Gate-keeping and Oversight Function for Secure Detention and Develop Appropriate Alternatives

1. Objective, risk-based Detention Assessment Instrument (DAI) implemented (November 2003) to ensure appropriate use of secure detention resources.
2. Policy and procedure requiring additional oversight and management of length of stay in secure detention implemented (July 2003).

FY05 and FY06 Follow-up:

- First year data report (November 2003-November 2004) to be completed (February 2005)
- Automation of DAI with JOMIS complete in March 2005.
- Statewide policy issues, instrument revisions and changes to the over-ride capability need to be defined and necessary statewide implementation changes made following thorough review and analysis of first year data
- Quality Assurance process needs to be implemented to ensure compliance and follow-through
- Continue efforts to expand community-based alternatives to detention and redirect existing resources to front end of service continuum

Maximize existing DJJ resources and emphasize research-based, data-driven approaches

1. Enhanced community-based juvenile justice services with existing resources to expand non-secure shelters, electronic monitoring and community-based accountability contact and juvenile monitoring.
2. Consolidated McLaughlin Youth Center's resources and reconfigured a treatment cottage into a Transitional Services Unit to better prepare youth to transition back to the community.

3. Implemented enhanced step-down/re-entry services at stand-alone Mat-Su and Kenai detention facilities.

FY05 and FY06 Follow-up:

- Adopt the YLS-CMI statewide as research-based, validated risk needs instrument; institute earlier in the case process to ensure appropriate resource allocation based on data
- Implement Performance-Based Standards (PBS) for all facilities to ensure ongoing quality assurance based on national standards and include facility improvement plan to ensure that data results in positive changes.
- Continue to refine and implement site-specific plans and services to use facility staff to provide additional community services when facility counts are under-capacity
- Implement/complete mandatory DJJ facility staff training in counseling skills and cognitive behavior treatment (CBT) approaches
- Define research-based approaches to probation services to drive all facets of policy implementation and training
- Define community resource gaps by region and work with local providers and DJJ staff to implement necessary services to ensure improved outcomes

Involve and communicate with internal and external core stakeholders throughout entire system change process

1. National Juvenile Detention Association Technical Assistance Core Stakeholders meeting completed in September 2003;

FY05 and FY06 Follow-up:

- Provide ongoing information and updates to all DJJ staff in variety of forums
- Teleconference with stakeholder group on system improvements
- Correspond with local/ statewide citizen advisory boards and staff

This page intentionally left blank.

Public Assistance

Mission

Promote self-sufficiency and provide basic living expenses to Alaskans in need.

Introduction

To meet this mission, the Division administers programs that provide temporary economic support to needy families and individuals, financial assistance to the elderly, blind and disabled, food assistance to supplement nutrition, access to medical benefits, and supportive services that enable and encourage welfare recipients to pursue economic independence and self-sufficiency through employment.

The Division provides services to help children and families remain safe and healthy by:

- Providing temporary financial assistance to low-income Alaskan families with children while working towards self-sufficiency to help them meet their basic needs of shelter, home heating, clothing, transportation and food.
- Providing employment assistance to low-income Alaskan families with children to help them become more self-sufficient and increase stability through employment.
- Providing financial assistance to low-income aged, blind, or disabled Alaskans to help them meet their basic needs, stay in their own homes and avoid costly institutional placements.
- Providing food assistance to low-income Alaskans to decrease their incidence of food insecurity.
- Providing home heating assistance to low-income Alaskans to reduce their disproportionate burden of home heating costs.
- Providing child care subsidies to families who need child care to work or participate in approved training activities
- Licensing childcare providers to increase the safety and quality of childcare in Alaska.
- Making eligibility determinations for medical assistance programs.

Unemployment, illness, and other personal emergencies can threaten the well-being of any Alaskan and create the need to seek public assistance. One out of every eight Alaskans requests some type of cash, food, medical, or energy assistance from the Division. In the last fiscal year, the division assisted approximately 43,000 families each month. While many families and individuals are served only seasonally or for a short period of need, an estimated 90,000 persons will receive some form of assistance in the coming year.

Annual Statistical Summary of Services in FY2004

Comparison of Public Assistance Programs

	ATAP/TANF		Adult Public Assistance		General Relief		Food Stamps	
FY04 Cases avg. mo.	6,133		15,859		161		18,514	
# of clients avg. mo.	16,811		15,859		230		52,560	
Race Distribution	White	39%	White	49%	White	N/A	White	36%
	Alaska Native	49%	Alaska Native	29%	Alaska Native	N/A	Alaska Native	46%
	Black	9%	Asian	5%	Black	N/A	Black	6%
	Hispanic	4%	Black	3%			Hispanic	3%
Recipients by Location (District area)	Anch / Mat-Su	52%	Anch / Mat-Su	53%	Anch / Mat-Su	64%	Anch / Mat-Su	46%
	Northern	14%	Northern	14%	Northern	14%	Northern	14%
	Southeast	11%	Southeast	11%	Southeast	8%	Southeast	13%
	Balance of State	23%	Balance of State	22%	Balance of State	14%	Balance of State	27%
Expenditure By Category of Service	Single parent	63%	Disabled	68%	Burial service	82%	FS and ATAP	20%
	Two parent	14%	Aged	31%	Rent assistance	16%	FS only	40%
	Child only	23%	Blind	1%	Other	2%	FS and APA	17%
							FS and Med	23%
Persons by age group								
Children 0 - 18 yrs	11,575		0		19		27,110	
Adults 19 - 59 yrs	5,209		9,153		201		23,202	
Adults 60 - older	31		6,706		17		2,248	
Total Expenditures	\$49,018,300		\$57,137,100		\$1,147,800		\$68,308,400	
Federal	\$12,443,400		\$1,076,200				\$68,308,400	
GF	\$33,480,000		\$52,358,600		\$1,147,800			
Other	\$3,094,900		\$3,702,300					

COMPARISON OF PUBLIC ASSISTANCE PROGRAMS

	Heating Assistance		Child Care (PASS I,II,III)	
FY04 Cases avg. monthly	8,637 per year			
# of clients avg. monthly	25,911 per year		7,029 children	
Race Distribution	White	53%	N/A	
	Alaska Native	36%		
	Black	3%		
	Asian	4%		
Recipients by Location (District area)	Anch / Mat-Su	36%	N/A	
	Northern	13%		
	Southeast	6%		
	Balance of State	45%		
Expenditure By Category of Service	Employed, retired or temp unemployed	59%	PASS I	23%
			PASS II	12%
			PASS III	65%
	Receiving ATAP	14%		
	Receiving APA	27%		
Total Expenditures	\$7,720,600		\$33,724,000	
Federal	\$7,720,600		\$27,924,000	
CF			\$5,800,000	
Other				

Note: Percentages do not necessarily add to 100%. Only major representative groups, locations or categories of services are listed.

- 1) ATAP/TANF caseload and expenditure includes the Alaska Temporary Assistance Program and the Native Family Assistance Program
- 2) The Child Care Subsidy information includes PASS I (child care subsidy for families also receiving ATAP), PASS II/III child care subsidy and Child Care Grant Program expenditures.
- 3) Several areas of Alaska receive Energy Assistance through tribal organizations funded directly by the federal government. In FY04 Heating Assistance Program expenditures include special emergency LIHEAP funds for the high cost of fuel.

List and Description of Primary Programs and Statutory Responsibilities

Alaska Temporary Assistance Program AS 47.27.005

The Alaska Temporary Assistance Program (ATAP) was created by the state and federal welfare reform laws passed in 1996. The program provides temporary financial assistance to eligible needy families that helps them care for their children in their own homes. This assistance provides for basic needs in shelter, home heating, clothing, transportation and food when the parents or caretaker relatives are temporarily unemployed, under-employed, or facing significant barriers to employment. The adults are required to participate in work or activities that will help them become self-sufficient and leave the program. They receive support to help them seek, secure and retain employment, described under the Work Services section. Families are limited to a lifetime total of 60 months of assistance.

Child Care Services AS 47.25.001

Providing access to child care is a key component in the state's efforts to move more parents into full-time jobs and more families toward self-sufficiency. The federal Temporary Assistance for Needy Families (TANF) block grant, the Child Care Development Fund (CCDF) and the required state general fund maintenance of effort provide child care subsidies for families in welfare-to-work activities; families moving off of welfare due to increased earnings; and working families whose low income places them at risk of needing assistance. The division's administrative effort and program financing help make quality child care more available and more affordable. This, in turn, has helped families avoid reliance on public assistance. The state's continued commitment to improving the quality, availability, and affordability of child care will help ensure that even more families are able to become self-sufficient.

Work Services AS 47.27.005

With the Temporary Assistance program focus on moving welfare recipients into the workforce, there is greater need to help individuals with low skills, a lack of work history and other challenges to self-sufficiency. The array of services intended to help recipients into the workforce is referred to as Work Services. The level of benefit amounts makes it always a financial incentive for a recipient to work rather than to be on Temporary Assistance. Recognizing that many recipients must overcome substantial challenges in order to find employment, Temporary Assistance Work Services include job readiness and job search, case management, job retention and advancement, referrals to basic education and vocational training, wage subsidies and supportive services payments such as work clothing, transportation, special tools, etc., that recipients need to enter or stay in the workforce. Community-based grantees and contractors deliver a majority of the Work Services. In FY05, over 20 different grants or contracts were issued to Native organizations and other non-profit organizations to assist recipients in their communities move from welfare to work.

Native Family Assistance Program AS 47.27.070

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the federal welfare reform law) authorizes certain Alaska Regional Native non-profit organizations, to administer Temporary Assistance for Needy Families (TANF) programs and to receive direct funding. In FY2000 the Legislature passed a bill authorizing four Native Organizations in

Alaska to run Native TANF programs. The Tanana Chiefs Conference (TCC), Association of Village Council Presidents, Inc. (AVCP) and Central Council of Tlingit & Haida Indian Tribes (T&H) took advantage of this opportunity to implement their own culturally relevant and regionally focused welfare programs. Funding for Native Family Assistance program operation comes from the federal TANF block grant and is supplemented by state funds that would otherwise be spent to serve the same Native recipients. Funds provided by the state grant are used to provide temporary assistance benefits to eligible families through the organizations now administering the Native Family Assistance programs.

Adult Public Assistance AS 47.25.430

Adult Public Assistance (APA) is a state funded program that provides cash assistance to needy aged, blind, and disabled persons who meet certain income and resource requirements. People who receive APA financial assistance are over 65 years old or have severe and long-term disabilities that impose mental and physical limitations on their day-to-day functioning. Continued APA funding provides critical financial assistance to enable program participants to live as independently as possible.

Food Stamp Program AS 47.25.975

The Food Stamp Program helps low-income households maintain adequate nutrition. Food Stamp benefits are used to purchase food products from more than 500 retail grocery stores throughout Alaska. Benefits vary with household size, income and place of residence. Participants in rural communities get larger monthly benefits to compensate for higher food costs. Benefits are 100 percent federally funded by the U.S. Department of Agriculture. The state and federal government share the administrative cost of the program equally.

Energy Assistance Program

The Heating Assistance Program (HAP) is 100 percent federally funded by the Low Income Home Energy Assistance Program (LIHEAP) Block Grant. The program provides seasonal help with home heating costs to low-income households. In FY04, around \$5.8 million was provided to approximately 8,300 households. Benefits are based on family income, home heating costs, housing type and geographic region. Heating assistance payments—primarily made to home heating suppliers on behalf of eligible households—cover the cost of heating oil, natural gas, electricity, propane, wood, and coal. The grants are given once per program year per household.

General Relief Assistance AS 47.25.120

Alaska's General Relief Assistance (GRA) program provides for the most basic needs of many Alaskans who haven't the personal resources to meet an emergent need and who are not eligible for assistance through other assistance programs offered by the state. GRA is designed to meet the immediate, basic needs or burial expenses of Alaskans in extreme financial crisis. Examples of basic needs are shelter and utilities. Under limited circumstances, GRA can provide assistance for clothing and food for persons not eligible to receive food stamps. Approximately seventy-five percent of the GRA appropriation funds indigent burials.

Medicaid Eligibility AS 47.07.020

Medicaid, an entitlement program created by the federal government, is the primary public program financing basic health and long-term care services for low-income Alaskans. The

Division of Health Care Services is responsible for provider payments. The Division of Public Assistance is responsible for eligibility policy and access to the program, determining the eligibility of individuals and families in need of Medicaid benefits, including children and pregnant women under the Denali KidCare Program. The majority of Medicaid recipients are beneficiaries of other programs and services administered and delivered by DPA. Most recipients on the Alaska Temporary Assistance Program receive family Medicaid benefits. Many children, young adults, and elderly or disabled persons receiving Medicaid also receive food stamps or adult public assistance benefits.

Chronic and Acute Medical Assistance (CAMA) Eligibility AS 47.08.150

The CAMA program is a state funded program designed to help needy Alaskans who have specific illnesses get the medical care they need to manage those illnesses. It is a program primarily for people age 21 through 64 who do not qualify for Medicaid benefits, have very little income, and have inadequate or no health insurance. The Division of Health Care Services is responsible for provider payments. The Division of Public Assistance is responsible for eligibility policy and access to the program.

SeniorCare Program Chapter 3 SLA 04

SeniorCare helps low-income seniors who are at least 65 years of age remain independent in the community by providing a cash or prescription drug benefit as well as information and referral services. The program bridges a gap in services for seniors until the federal Medicare Part D prescription drug benefit begins in January 2006. Legislation passed during the 23rd Alaska Legislature established the Senior Care program and created a new fund for the financing of services to seniors in Alaska.

Explanation of FY2006 Budget Changes

Public Assistance	2005	2006 Proposed	06 to 05 Change
General Funds	110,298.3	112,461.5	2,163.2
Federal Funds	97,359.8	100,200.0	2,840.2
Other Funds	38,940.8	28,773.7	(10,167.1)
Total	246,598.9	241,435.2	(5,163.7)

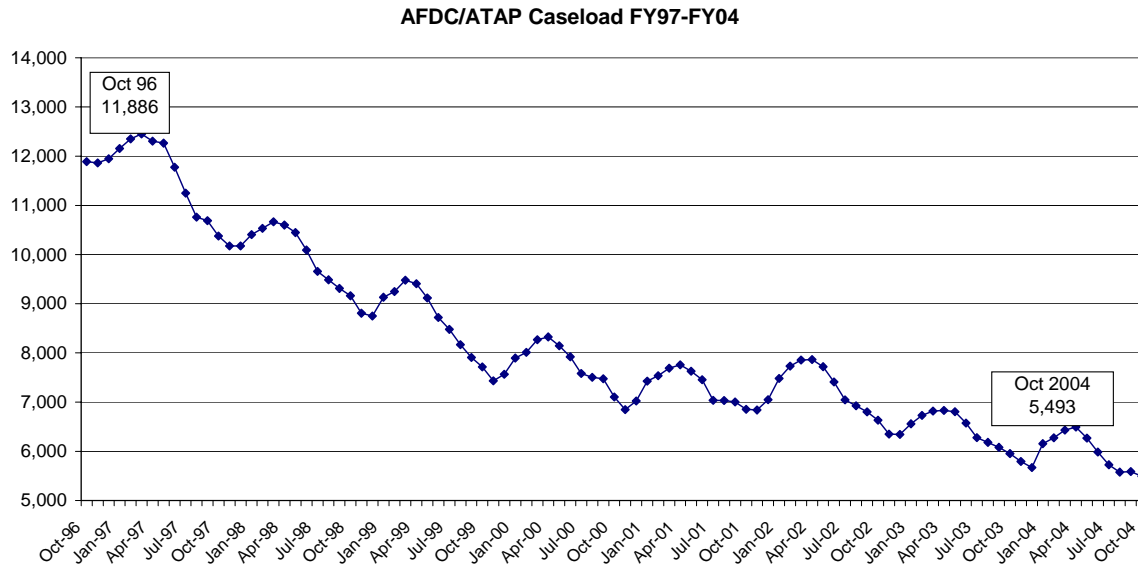
ATAP Component

The focus of the Alaska Temporary Assistance Program (ATAP) is to provide temporary economic assistance to poor families and to help those families find employment that will allow them to become self-sufficient, leave assistance and get out of poverty.

Due to declining caseloads since the beginning of the Temporary Assistance program and the reduced demand for cash benefit payments, millions of dollars have been made available to provide child care and work services for recipients and working families. This has saved state funds for other services, which has helped to reduce the state's budget deficit.

ATAP Caseload Continues to Decline

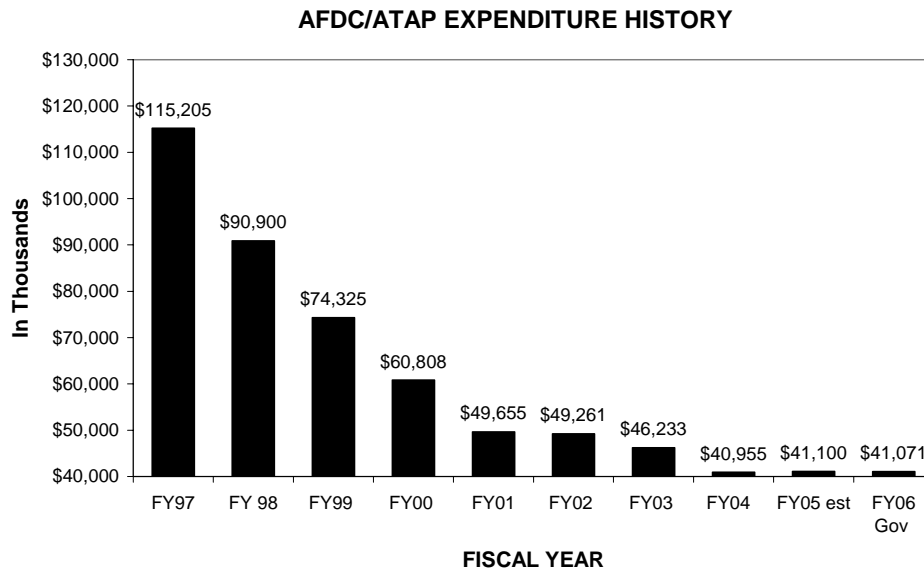
In October 2004, the Alaska TANF caseload declined to 5,493. This figure is 58% below the historical peak of 13,164 in April of 1994. The ATAP caseload has dropped 54% from October 1996 to October 2004. The decline began in February 1997 when the state's first welfare reform provisions took effect and has continued, interrupted only by the regular seasonal upswing during the winter months.



ATAP Benefit Expenditures Down

Spending on Temporary Assistance payments is down. In FY04, these expenditures declined to \$41 million, a 64% reduction from FY97. Declining expenditures since Temporary Assistance was implemented in 1997, can be attributed to more recipients leaving welfare for work, more recipients working while receiving assistance, benefit cuts to two-parent families, and reductions due to low housing costs.

It is important to note that the early caseload reductions were the easiest. Caseload reductions have slowed down as a larger proportion of recipients who remain on the caseload are those with more serious barriers to employment. Some states are experiencing rising caseloads due to changes in their economic conditions. It is hard to predict how the economy will affect the ATAP caseload.



ATAP Formula Reduction for Declining Caseloads (\$3,700.0 Fed/I/A) (\$2,500.0 Dec, \$1,200.0 Transfer to Child Care Benefits)

The FY2006 Governor's request reduces the ATAP formula authorization by \$3,700.0 federal authority and inter-agency receipts for Permanent Fund Dividend Hold Harmless reflecting the projected decline in ATAP payments formula need. We expect ATAP caseloads will continue an overall annual decline interrupted only by the regular upswing during the winter months as a result of Alaska's seasonal economy. The FY2006 ATAP benefit savings from continued caseload reduction are needed to sustain budgets for work services, child care and other TANF funded services.

In FY06, a portion of the ATAP savings that would otherwise be needed for ATAP benefit payments will be reinvested in child care. Child care assistance for families transitioning from public assistance can often make the difference between unemployment and a return to public assistance, and employment leading to self-sufficiency. The FY06 Governor's request transfers \$1,200.0 of the \$3,700.0 ATAP payments savings to Child Care Benefits to meet the demand for child care for extremely low-income working families.

The FY06 budget also adjusts funding sources by transferring \$730.0 federal and GFM authority between the ATAP and PA Field Services components. The funding adjustments are required to distribute federal and state GFM allocations within the Public Assistance RDU to reflect the projected share of federal and state program expenditures in the respective components.

State Maintenance of Effort (MOE) under TANF

The state's TANF MOE requirement is based on the state's share of AFDC expenditures in FFY1994. In order to earn the annual TANF block grant, states must spend at least 75-80 percent of their FFY 1994 spending. Federal law allows designated Native organizations to operate their own TANF programs and to receive TANF grants directly from the federal

government. The federal grants for Native TANF reduce the state block grant amount dollar for dollar. In addition, the required state maintenance of effort (MOE) is reduced.

To qualify as state maintenance of effort (MOE) for TANF the state general fund expenditure must be made to or on behalf of a family eligible for ATAP. The majority of the state GF MOE expenditures help finance ATAP cash payments, Native Family Assistance state grants, ATAP eligibility determination and case management activity, work services intended to help ATAP recipients into the workforce, and child care for ATAP families working their way off welfare.

For Alaska, this MOE establishes a floor of approximately \$41.0 million GF that must be met to comply with federally mandated MOE. State general funds savings of roughly \$24 million from falling ATAP caseloads have been previously deleted from the ATAP budgets to a level equal to the minimum MOE amount. We are currently in compliance with federal participation requirements that allow the 75% MOE floor.

Federal TANF Reauthorization and Supplemental grants for High Population Growth

Federal funding for the TANF block grant expired in FY2003 and Congress continues to pass extensions to current TANF law. In FY05 Congress will be debating reauthorization of the federal welfare reform law. The entire law may be reconsidered including the purpose, block grant funding level, work requirements and time limits. States will undoubtedly want to retain their current federal funding and the flexibility that allowed them to be so successful.

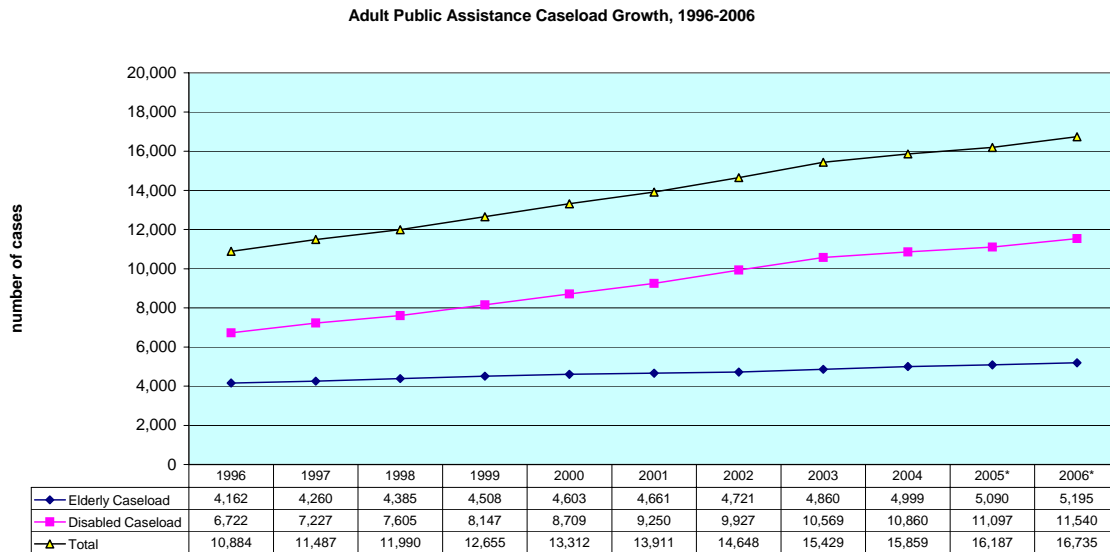
Alaska was one of seventeen states who qualified for supplemental TANF grants (based on population increases in 1990-1994). Alaska's "High-Population" supplemental award is \$6.9 million representing 11% of Alaska's total annual federal TANF amount. DPA has been able to maintain federal TANF balances by continued ATAP caseload reductions, continued TANF block grant base funding, the supplemental high population award and more recently Alaska's receipt of three High Performance bonus supplemental awards. There is some concern that federal reauthorization of TANF could include reductions in federal TANF block grant funding impacting our ability to sustain TANF financing for ATAP and non-ATAP services.

Adult Public Assistance (APA) Component

The Adult Public Assistance Program (APA) provides financial assistance and access to medical care for 5,195 elderly and 11,540 disabled Alaskans. The program was created to supplement federal Social Security benefits and provides the recipient with the income support needed to remain as independent as possible in the community. To be eligible for APA, a low-income individual must be over 64 or at least 18 years of age and blind, or diagnosed by a physician as permanently disabled, chronically ill, or terminally ill.

Disability applicants must also undergo a rigorous process to determine if their mental or physical limitations make them temporarily or permanently incapable of self-support through gainful employment. Each month benefits are issued to APA clients in an amount equal to the maximum supplemental payment, less adjustment for any income the individual reports. APA benefits help many Alaskans avert problems such as homelessness and avoid higher

cost settings such as hospitals, nursing homes or incarceration. Eligibility for APA also brings automatic eligibility for Medicaid.



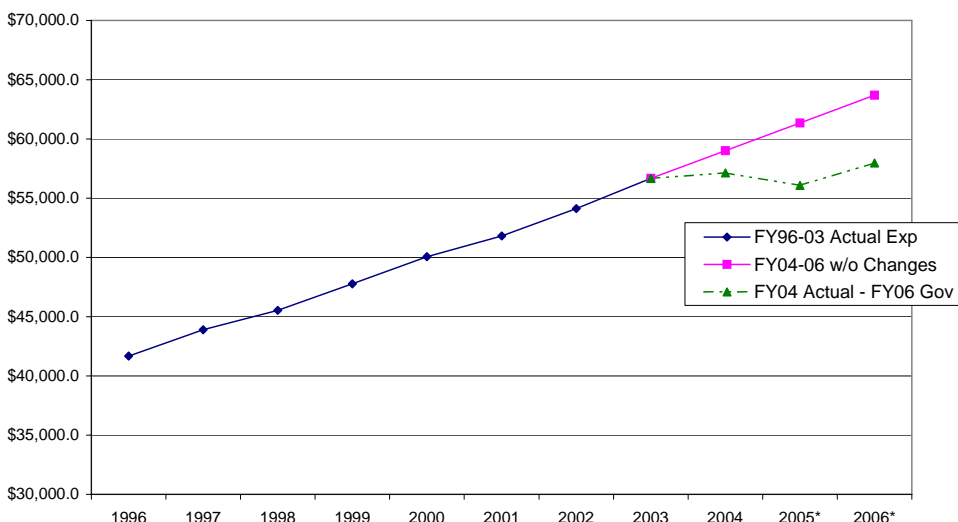
*projected

Formula Increase for APA Caseload Growth \$925.6 Fed/GF/I/A

There is an increment to support formula growth in the APA program of \$925.6 total, \$296.0 Federal, \$558.9 GF and \$70.7 I/A Rcpts.

The number of elderly and disabled Alaskans who rely on the Adult Public Assistance (APA) program to meet basic needs continues to grow - but at a lower rate of increase. FY04/05 program changes helped reduce the rate of APA caseload and expenditure growth. The rate of caseload increase declined due to a new medical screening process implemented in September 2003, and stricter SSI application criteria that resulted in a reduction in Interim Assistance approvals and expenditures. The APA population is expected to grow at 3.4% from 16,187 in FY2005 to 16,737 in FY2006. By comparison APA caseloads in FY02 and 03 increased by 5.3%.

APA Expenditures



FY2004 and FY2005 actions helped reduce the rate of APA expenditure growth. The three-year cumulative FY04-06 savings will be roughly \$12.8 million compared to APA expenditures projected at historic growth and assuming no APA program changes. The actual changes that were implemented in FY04-05 include the following:

- Secondary medical review to the Interim Assistance (IA) application process.** Implemented in FY04, this policy change resulted in the opening of fewer IA cases with only those applicants likely to be found disabled and eligible for SSI receiving IA. This reduced IA program expenditures by decreasing the number of persons on IA who subsequently do not qualify for SSI.
- New benefit start for APA cash benefits.** This FY05 change aligned the APA benefit start date with the date an APA applicant is notified by the Social Security Administration that Social Security benefits have been approved, or the date the Division is notified by the Disability Determination Service (DDS) of a state-only disability determination.
- New APA payment level for APA recipients residing in assisted living homes.** This FY05 policy change resulted in general fund savings by reducing the maximum APA payment to a resident of an assisted living home to \$100 (that was the existing allowance for their personal needs). This change adjusted the way an individual's cost of care is financed but it did not reduce services. Approximately 550 APA recipients were affected by this change and had their APA benefits adjusted.
- Eliminate the replacement of federal SSI benefits that are lost due to in-kind income.** Prior to FY05, APA recipients who had their SSI benefits reduced because of in-kind income, received a higher APA payment to make-up for the reduction in SSI. This policy change eliminated the extra APA payment for the replacement of

the lost SSI benefits. Approximately 450 APA recipients were affected by this change and had their APA benefits adjusted.

Growth in the APA program is sustained in part by the long-term needs of recipients. To qualify for APA benefits, an individual must be elderly or have a permanent disability, and therefore this population tends to rely on the APA program for their entire adult lives. Continued APA funding provides critical assistance as the program of last resort for this population.

Child Care Benefits Component

Formula Increase for Child Care \$1,200.0

The FY06 Governor's request transfers \$1,200.0 federal from ATAP payments savings to Child Care Benefits to meet the demand for child care for the lowest-income working families. While Alaska's TANF caseload has been decreasing the number of very low-income working families needing help with child care costs has increased. Child care assistance for families transitioning from public assistance can often make the difference between unemployment and a return to public assistance, versus employment leading to self-sufficiency.

Child care subsidies are provided to families who need child care to work or to participate in approved training activities. The subsidy program is called Parents Achieving Self Sufficiency (PASS). There are three PASS programs:

- PASS I – for families on Temporary Assistance, these families receive one-hundred percent of the subsidy rate for authorized child care.
- PASS II – for families within one year of leaving Temporary Assistance. These families pay a co-pay, based on their income
- PASS III – for low-income families who may or may not have been on Temporary Assistance. These families also pay a co-pay, based on their income.

As the welfare caseloads have dropped, the demand for child care has risen dramatically. Alaska has always been able to fully fund child care for ATAP families while they are on ATAP and for one year after they leave. Wait lists for the child care subsidy program for low-income families had been the norm prior to FY02 but have not been since. The FY06 request for child care subsidy fully funds projected formula subsidies and should allow the state to avoid subsidy reductions or creation of wait lists for the lowest income families.

Child care rates that the state pays have not been raised since July of 2001; they are not keeping up with rates that child care providers charge. We will be implementing cost containment measures in the hopes that a few specific rates can be raised. However, we are experiencing an increased caseload, which may prohibit any rate increases. Careful analysis of the situation will be needed. In FY2004, Child Care functions were consolidated in the Department of Health and Social Services by means of a transfer from the Department of Education and Early Development to the Division of Public Assistance. Having all child care functions in one office promotes collaboration between programs and consistency of policies. The funding for child care programs is primarily federal dollars, including CCDF

(Child Care Development Fund) funding, TANF transfers into CCDF, and direct TANF expenditures.

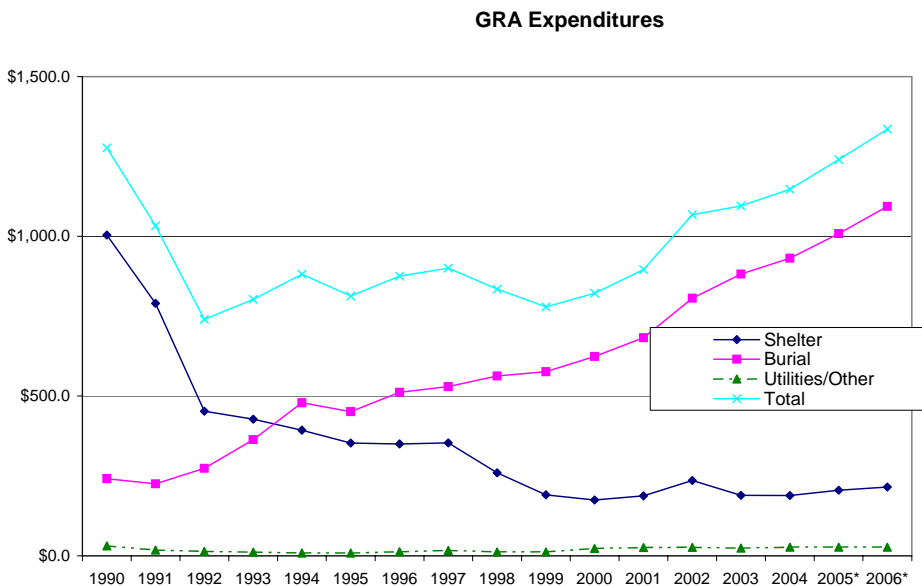
Transfer from Contractual to Grant for Child Care Subsidy \$425.0 Fed

The FY06 request transfers federal allocations of \$425.0 from Services to Grants to help fund child care subsidy. Shortfalls in child care assistance funding prevent low-income families from obtaining and maintaining employment and places them at risk of requiring public assistance. Sufficient funding for all of the subsidy programs is necessary to allow parents to enter and stay in the work force.

General Relief Assistance Component

Transfer GRA balance to Public Assistance Field Services \$143.6 GF

Alaska's General Relief Assistance (GRA) program was developed as a safety net program for very low income individuals who are not eligible for other state or federal assistance. It is used as a last resort program to meet the emergency needs of low-income Alaskans who have no other resources available to meet those needs. Currently about 80 percent of GRA program expenditures are used to pay for funeral and burial expenses of indigent deceased persons. The remainder is used primarily to assist low-income individuals and families who are facing eviction.



The FY06 request transfers \$143.6 GF from GRA to the Public Assistance Field Services component to fund initiatives to increase the quality of our workforce and efficiency in delivery of integrated services. The adjustment to GRA reduces the component budget to the projected formula need of \$1,355.4.

Tribal Assistance Component

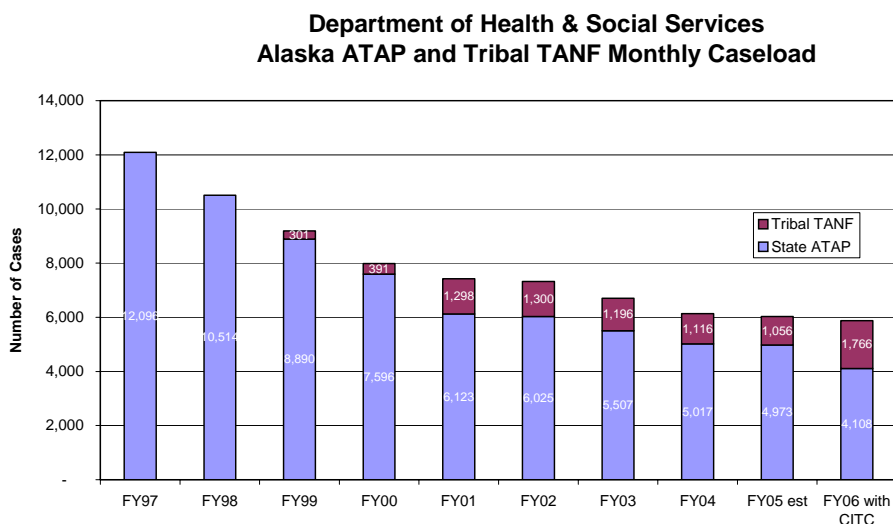
Request Maintains Services - No Reduction Compared to FY05 Level

The FY06 Tribal Assistance budget request maintains grant amounts at the FY2005 award level. Funding for Native Family Assistance program operations comes from the federal TANF block grant and are supplemented by state funds that the state would otherwise spend to serve the same Native welfare recipients. State grant funding continues to be used for the purpose of providing temporary assistance benefits to eligible Native families through the TCC, T&H and AVCP tribal TANF programs.

State Legislation required to Reauthorize Alaska Native Family Assistance Program (NFAP)

The Governor will request legislation that reauthorizes the Department of Health & Social Services to award and administer state funds under NFAP to support the operation of federally approved tribal TANF programs. The three organizations currently running programs and receiving state supplemental grants supporting Native TANF are Tanana Chiefs Conference (TCC) in the interior Doyon region, Central Council of Tlingit & Haida Indian Tribes of Alaska (T&H) in southeast Alaska and the Association of Village Council Presidents in the Yukon-Kuskokwim Delta. Approval of this legislation maintains state support for these programs at the current, status quo, level.

In addition to reauthorizing the existing programs the Governor's bill would also allow DHSS to provide grants to the other nine Alaska native non-profit organizations authorized in federal law to operate tribal TANF programs. Cook Inlet Tribal Council (CITC) plans to



begin operating a tribal TANF program in July 2005.

Beginning in October 1998 (FY99), cases were transferred from the state ATAP to TCC's NFAP. In July 2000 (FY01), cases were transferred to T&H and in October 2000 (FY01) ATAP cases were transferred to AVCP's Temporary Assistance program. The chart reflects the distribution of state ATAP and NFAP caseloads and shows the projected transfer of state

ATAP cases to CITC in July 2005 (FY06). The ATAP budget changes pending implementation of NFAP by CITC will be reflected in fiscal notes.

TCC, T&H and AVCP have successfully administered TANF programs reflecting the unique needs and conditions in their local communities, and have been proven effective in moving tribal members towards self-sufficiency. Additional Native non-profits are actively planning tribal TANF programs in Alaska. Reauthorization and expansion of NFAP will ensure that Alaska Native organizations federally authorized to operate tribal TANF programs have the opportunity to provide effective and innovative public assistance programs to their members.

Senior Care Component

Reduction in SeniorCare Program CH 3 SLA 04 (\$6,958.7) Sr Care Fund

The SeniorCare Program is scheduled to sunset in December 2005 or whenever the federal Medicare Part D prescription drug benefits are implemented. The FY06 Governor's decrement request of (\$6,958.7) is based on the fiscal note for Chapter 3, SLA 2004 which assumed implementation of the federal Medicare Part D effective January 2006. However, the Governor will request new legislation affecting the SeniorCare program that extends and restores SeniorCare program funding.

If SeniorCare expires, almost 7,000 low-income Alaska seniors will lose benefits; the overwhelming majority will lose \$120/month cash payments. About 60 will lose a prescription drug benefit.

The financial eligibility criteria for SeniorCare was set at levels that closely resembled the financial eligibility criteria for low-income subsidies for Medicare Part D beneficiaries. As a result, current SeniorCare recipients will have access to generous drug coverage under the new Part D low-income subsidy program, with little or no premiums and deductibles and very low co-payments.

Proposed Legislation by the Governor would Continue Existing SeniorCare Cash Program

Most SeniorCare cash recipients already have comparable drug coverage through Medicaid, IHS, or another source that is comparable to Medicare Part D. If they lose their cash benefit, they will not have any offsetting reduction in their drug costs. Therefore, to avoid cutting their benefit, we propose to extend the cash benefit under SeniorCare. Older Alaskans with incomes below 135% of the federal poverty guidelines and countable assets below \$6,000 (\$9,000 for couples) would continue to receive \$120/month cash payments. Based on current expenditures, continuing cash payments would cost \$10 million annually.

Proposed SeniorCare State Pharmaceutical Assistance Program (SPAP)

Under the new Medicare Part D provisions, state pharmaceutical assistance programs (SPAPs) can pay Medicare Part D premiums, deductibles, and cost sharing and have those payments count toward the beneficiary's Part D out-of-pocket expenses. Proposed federal regulations require Part D plan providers to coordinate benefits with SPAPs.

The Governor will propose to convert the SeniorCare drug benefit to an SPAP covering premiums and deductibles under Part D. This benefit would cost about \$640 per person annually. Recipients would still be responsible for subsequent out-of-pocket expenses under Medicare Part D.

PFD Hold Harmless Component

Reduction Due to Federal Policy Change (\$3,065.2) PFD Fund

This FY2006 decrement adjusts PFD Hold Harmless (PFDHH) component funding to projected formula need. The PFD Hold Harmless provides replacement funding for the loss of benefits due to client ineligibility or benefit reduction in the Alaska Temporary Assistance Program (ATAP), Food Stamps, Supplementary Security Income (SSI), or Medicaid programs due to the receipt of the Alaska Permanent Fund Dividend.

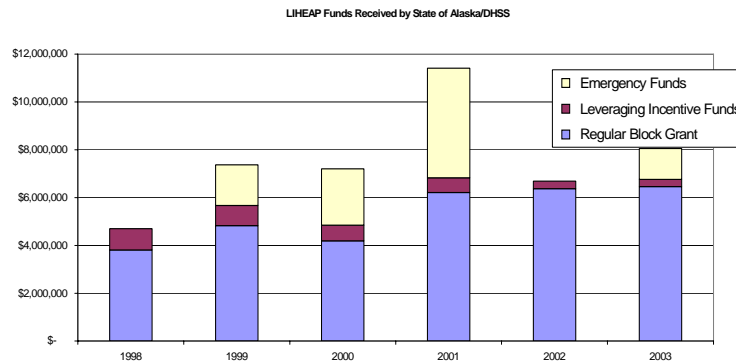
The PFD Hold Harmless program is established in law as AS 43.34.075. The language establishing the hold harmless program was part of the legislation that enabled the initial 1982 dividend distribution, and continues as the statutory basis of the dividend and hold harmless programs.

The decrease in PFDHH represents the net reduction in public assistance formula caseloads. It also reflects a policy change in the way PFD is counted in the federal food stamp program. This change results in fewer households losing eligibility for food stamps. The cost of PFDHH for food stamps decreases by about \$3.0 million.

Energy Assistance Component

Request Maintains Services - No Reduction Compared to FY05 Level

The Heating Assistance Program (HAP) is 100% federally funded through the Low Income Home Energy Assistance Program (LIHEAP) Block Grant. The program aids low-income households with their home heating expenses. Eligibility for heating assistance and benefit amounts are based on a point system which considers household size and income, fuel costs in the area and type of housing. Applicant households apply once a year to receive a single heating assistance grant. Assistance is normally provided in the form of credit with the client's home energy vendor.



The federal LIHEAP allocations to states are frequently determined after the beginning of the federal fiscal year. This means we must set heating benefit levels, hire eligibility staff, and issue requests for proposals for low-income weatherization based on estimated funding allocations.

The significant increase in the cost of fuel (average 35% based on selected spot market rates in October 2004) is creating even greater difficulties for low income Alaskans where their household heating assistance grants do not adequately cover the increased costs. In December 2004, the President released \$100 million of the \$300 million LIHEAP contingency funding for 2005. Alaska's share of the supplemental federal FFY05 award is \$685.9 and will help offset a portion of the increase in home heating costs that Alaskan families will need to pay this winter.

Public Assistance Administration Component

Federal TANF High Performance Bonus Funds New TANF Funded Services \$3,180.0 TANF

In October 2004, the Dept. of Health & Social Services, Division of Public Assistance (DPA) was awarded its third federal TANF High Performance Bonus of \$3.18 million. DPA received this bonus payment for its exceptional performance in federal fiscal year 2003 in moving welfare recipients from public assistance to the workforce. Alaska received the maximum bonus allowed for ranking highly in the nation in 2003 for the "job entry" category - the percent of people placed in jobs. Alaska also received bonus funds for offering services to families so they can have affordable, quality child care.

The following represents the Department's proposed spending plan for investing the federal TANF performance bonus funds in services and initiatives promoting self-sufficiency, family stability, and reduction in teen pregnancy:

- Statutory Rape Reduction Project - \$480.0 TANF

The Division of Public Health, Women Children and Family Health component, undertook a statewide campaign to reduce the incidence of sexual assault of young girls through a campaign funded in part by Division of Public Assistance, Temporary

Assistance to Needy Families (TANF) in FY02 and FY03. These requested funds will continue to build upon that campaign. TANF share of project financing is \$480.0.

- Substance Abuse Prevention/Intervention – “Statewide Multi-Media Education Campaign” - \$500.0 TANF

This Behavioral Health RDU, Behavioral Health Grants component project is to develop broad, diverse and comprehensive multi-media campaign aimed at children, youth and parents and the public to involve all Alaskans in recognizing the damage alcohol causes. TANF share of project financing is \$500.0.

- Substance Abuse Prevention/Intervention – “Reach Out Now” - \$500.0 TANF

This Behavioral Health Grants component project utilizing materials developed for this national model, will provide community grants to agencies working with their community's school programs. Programs will focus on a school-based educational approach, with trained agency staff providing information, and then developing an ongoing dialogue with 11-12 year olds about alcohol and drugs. TANF share of project financing is \$500.0.

- Substance Abuse Prevention/Intervention – “Leadership Initiatives to Keep Children Alcohol-Free” - \$500.0 TANF

This Behavioral Health Grants component initiative provides training and leadership for young people who might be experiencing peer pressure to drink. Community grants to youth organizations who would like to partner with the state to increase public awareness of this issue and mobilize action to decrease early on-set of drinking and utilize youth as leaders/mentors among their peers. TANF share of project financing is \$500.0.

- Substance Abuse Prevention/Intervention – “Leadership Initiatives to Keep Children Alcohol-Free” - \$500.0 TANF

This Behavioral Health, AK Fetal Alcohol Syndrome Program component project will fund Community Based Prevention and Service Improvement. This project will fund community-based FASD improved services programs focusing on interventions and services such as respite care, case management, mental health services, substance abuse services, job training/vocational rehabilitation and services to work with women at risk for giving birth to a child with an FASD. TANF share of project financing is \$500.0.

- Creation of Faith Based and Community Initiative Council - \$105.0 TANF

Establishing the Governor's Advisory Council on Faith-Based and Community Initiatives and the Office of Faith Based and Community Initiatives in the Department of Health and Social Services. These will jointly serve to facilitate communication and collaboration between faith-based and community-based organizations and government agencies in order to address gaps in Alaska's work force and health and social services systems. TANF share of project financing is \$105.0.

- Continuation of other Federal TANF funded services and initiatives promoting self-sufficiency and client services within the parameters eligible for TANF funding - \$595.0 TANF

While Alaska's TANF caseload has been decreasing the number of very low-income working families needing Child Care Assistance, PASS II/III has increased. The TANF share of project financing for additional Child Care Assistance is \$595.0.

The Public Assistance Administration component will continue to utilize available federal TANF balances to fund new and continuation grants supporting low income families. TANF allocations may include \$500.0 for continuation of FY05 grants or similar initiatives to meet the match requirements for community and faith based organizations pursuing federal competitive grants for promoting healthy marriage initiatives. FY05 level TANF financing of \$550.0 to Council on Domestic Violence to provide victims of domestic violence with non-recurring, short term services that help mitigate the immediate impacts of family violence is also continued in FY06.

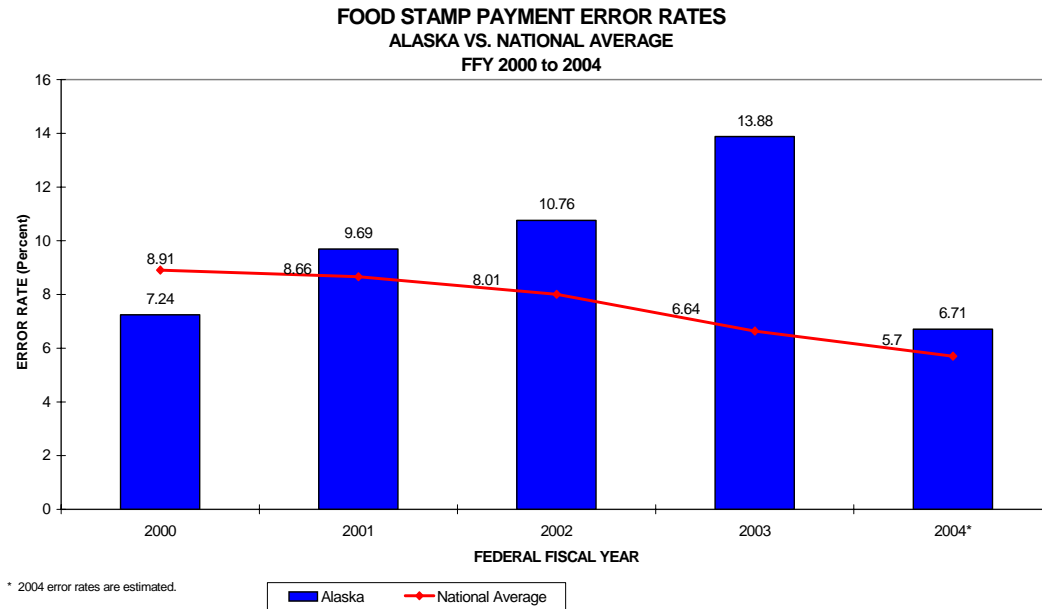
Public Assistance Field Services Component

Adjust Funding Sources Transfer from ATAP \$730.0 GFM (\$730.0 Federal)

While the ATAP caseload and expenditures have declined significantly, DPA continues to serve many working families by providing other employment related support services, Food Stamps, and Medicaid. Caseloads have grown in programs serving individuals for whom work is less likely. As Alaska's population has grown, so has the number of elderly and disabled persons needing safety net services; Adult Public Assistance (APA) and Medicaid. The FY06 budget request transfers \$730.0 federal and GF Match authority between the ATAP and PA Field Services components. The funding adjustments are required to distribute federal and state GF Match allocations within the Public Assistance RDU to reflect the projected share of federal and state program expenditures in the respective components.

The Division remains committed to improving accuracy and timeliness as part of our enhanced customer services initiatives. The Food Stamp Program requires a rigorous quality control process to monitor benefit payment accuracy. Payment errors occur when a household is overpaid or underpaid. Client and agency-caused payment errors are included in the annual error rate calculation. Correcting a food stamp accuracy crisis that has been developing in the last few years is the Division's highest priority.

A vigorous "Better than Average" food stamp accuracy campaign resulted in significantly improved food stamp quality control payment accuracy in FY04. Alaska had been penalized for making too many mistakes when figuring food stamp client benefits. Financial penalties were assessed in FY1997, FY1998, FY1999, FY2001 and FY2002. Last September 2003, Alaska had the highest food stamp error rate in the nation. We are currently in position to receive national recognition as a state with one of the most improved accuracy rates.



Transfer from GRA for Quality Workforce and Integrated Service Enhancements \$143.6 GF

On-going formula Medicaid casework requires adjusting allocations of GF Match to leverage available federal funding (\$118.6 GFM). FY05 funding transfers to directly finance Medicaid eligibility casework in the division did not include sufficient GF match to fund maintenance level work.

This FY06 transfer also includes \$25.0 for services to evaluate a proposed Food Stamp Integration project. The Tanana Chiefs Conference (TCC) operates the "Athabascan Self-Sufficiency Assistance Partnership" (ASAP), a Tribal Temporary Assistance for Needy Families (TANF) program. ASAP serves approximately 450 TANF-eligible families with cash benefits and employment assistance. Food Stamp participation by ASAP clients fluctuates between 51% and 64%, well below the average of 80% participation by recipients of the Alaska Temporary Assistance Program (ATAP). A significant factor in this disparity is the absence of a single-point of access to both Tribal TANF and Food Stamp services. While TCC serves TANF-eligible families with cash assistance and work services, the state of Alaska Division of Public Assistance (DPA) must provide eligibility determination and certification for food stamp benefits. Families are required to interface with two offices and eligibility systems, two caseworkers and must marshal double the effort to receive the nutrition supports for which they are eligible. DPA staff in turn carry large caseloads that include families served by the ASAP program. As such, these dual systems provide duplicative services at significant cost to the state and to needy families.

To address these barriers to food stamp participation experienced by ASAP families, DPA and TCC have proposed a four-year Food Stamp Demonstration Project in which TCC will administer a Tribal Food Stamp program for those families served by the ASAP program. While plans for the project have not been finalized, the federal Food and Nutrition Service (FNS), which administers the Food Stamp program, has expressed a strong interest in our

project proposal. As a condition of authorizing the Food Stamp Demonstration Project, FNS is requiring that the project include an evaluation component. At a minimum, the evaluation must measure timeliness and accuracy of eligibility determinations, as well as administrative costs and program services compared to the existing system.

FNS has stipulated that the evaluation must be performed by an entity independent from DPA and must be approved by FNS. This will require that DPA pursue contracted evaluation services at a cost of \$25.0.

Electronic Benefit Transfer (EBT) U.S. Call Center \$123.0 GF

The PA Field Services request includes \$123.0 state funds for the FY2006 increased contract costs for EBT services that issues Public Assistance formula benefits to recipients. The *Alaska Quest* debit card is now the way food stamp and Alaska Temporary Assistance Program recipients get their monthly benefits. The electronic benefit transfer method has been in effect statewide since mid-1998.

This increment responds to the intent of Administrative Order No. 216 to ensure that State of Alaska contracted services are performed in the U.S. Our Electronic Benefit Transfer (EBT) contractor for ATAP and Food Stamps, JP Morgan, subcontracts a portion of their call center functions off-shore. This contract was in existence before the adoption of Administrative Order No. 216. However, this change would provide for off-shored functions to be performed within the U.S. A GF increment is needed to pay the increased cost of performing this work within the U.S. during FY 2006.

Transfer back to DPA 11 positions moved in the DHSS IT integration \$1,453.4 Fed/GF/GFM

In FY05 the Department of Health and Social Services consolidated and integrated all Information Technology (IT) services, including website and publication work. This FY06 budget change is to transfer back 11 “non” IT DPA positions that were incorrectly moved during the IT Integration. During FY05 it was discovered that certain positions and funding for client mail services were inadvertently transferred incorrectly. This transaction reverses a portion of the FY05 transfer for the DPA PCNs and services that were not strictly IT related. This budget request maintains services with no reduction compared to FY05 level.

Fraud Investigation Component

Request Maintains Services - No Reduction Compared to FY05 Level

An essential element of caseload control and benefit cost savings is fraud control efforts. The Fraud Control Unit of the Division of Public Assistance is currently authorized 15 positions; four of them are stationed outside the Anchorage area, two in Fairbanks, one each in Wasilla and Kenai.

The FY06 request provides full funding for existing staff needed to cover the oversight and investigation necessary to achieve program accountability goals and satisfy public expectations. There is also a deterrent value to an active fraud control effort that prevents many from committing welfare fraud.

Quality Control Component

Implement New Federal Mandate “Payment Error Rate Measurement” (PERM) \$563.8 Fed/GF

The FY06 Governor’s budget adds funding and positions to implement new Medicaid eligibility and medical service review requirements mandated federal "Payment Error Rate Measurement" (PERM) proposed regulations.

Centers for Medicare and Medicaid Services (CMS) issued proposed regulations that require states to sample payments on Medicaid claims. CMS issued these regulations in response to the Improper Payments Act (IMPA) passed by Congress. CMS makes these regulations effective October 1, 2005. The regulations mandate a quality control review of payments to medical providers, including a review of the eligibility criteria, medical necessity, and correctness of the payment. CMS wrote the sampling requirements to ensure each state would draw approximately the same number of claims in an annual sample. This creates a statistically valid National Sample, and an inordinately large sample size for Alaska.

To meet the requirements described in the regulation, Alaska's Division of Public Assistance will need to increase Quality Control staff to complete the case reviews by 7 PFT at an estimated cost of \$563.8 in FY06.

Work Services Component

Our welfare-to-work emphasis continues with much success reflected in the continued decline in the ATAP caseload, meeting and exceeding federally mandated work participate rates, and receipt of supplemental federal TANF awards for achievement. The FY2006 Work Services budget sustains FY2005 level investments in welfare-to-work out-come based, pay for performance contract services and client supportive services to help move poor Alaskans into jobs so they can support their families. With welfare reform’s concerted focus on moving recipients into the workforce, it is evident there is a need to help individuals with low skills, a lack of work history and other barriers to make the transition from welfare to work. The services intended to help recipients into the workforce are referred to as Work Services.

The division also plans to develop and implement a family-centered approach in the delivery of work services. Family Centered Services projects are getting underway in Mat-Su and Fairbanks. The Family Centered Services approach is designed to work closely with families that have been on TANF for 30 or more months to provide integrated case management with other agencies and partners. It uses a process to focus on the abilities and needs of the families, enabling them to develop and implement a realistic plan to help the family move towards self-sufficiency.

[This page intentionally left blank.]

Public Health

Mission

To protect and promote the health of Alaskans.

Introduction

The Division of Public Health (DPH) operates programs that are primarily population-based and focused on protecting and promoting the health of entire communities and of all Alaskans. DPH employees conduct disease surveillance and investigation and provide treatment consultation, case management and laboratory testing services to control outbreaks of communicable diseases and prevent epidemics.

The Division uses data and other scientific information and expertise to develop sound policy and deliver disease control and health promotion services to protect and improve the health of Alaskans and those who visit Alaska. Professional staff monitor and assess health status through the collection and analysis of vital statistics, behavioral risk factor data, and data on disease and injury, including forensic data from postmortem examinations.

DPH strives to improve public health by encouraging, supporting and sometimes requiring the development of health services by others, and by providing services directly when unavailable from the private sector or other health organizations. Outreach activities are conducted to link high-risk and disadvantaged people to needed services. The Division promotes healthy behaviors by educating citizens and supporting community actions to reduce health risks.

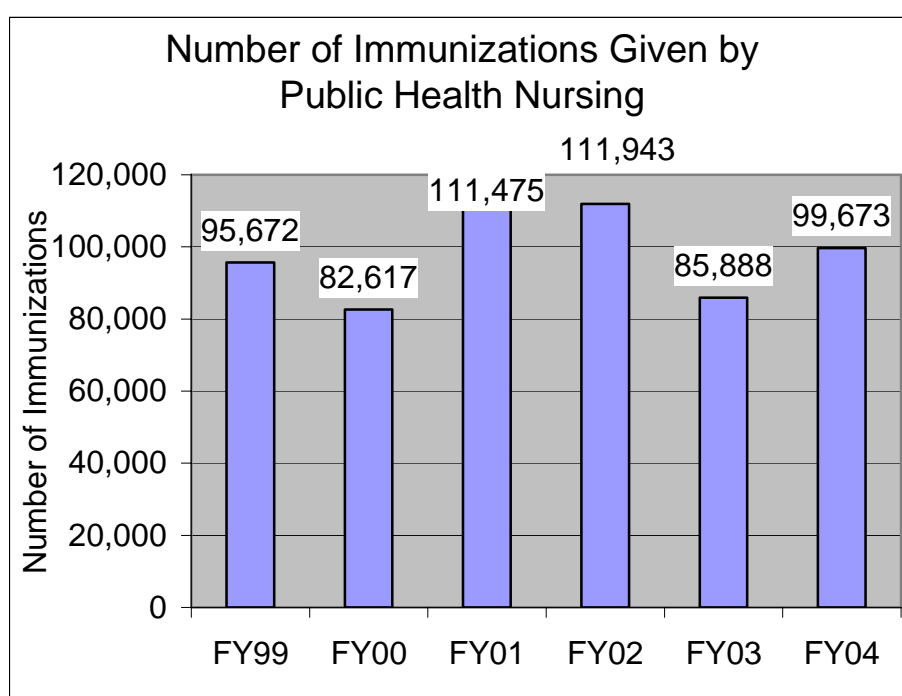
Core Services

The Division has identified six core services that help it achieve its mission of protecting and promoting the health of the public. The core services are:

- Prevent and control epidemics and the spread of infectious disease;
- Prevent and control injuries;
- Prevent and control chronic disease and disabilities;
- Respond to public health emergencies, disasters and terrorist attack;
- Assure access to early preventive services and quality health care; and
- Protect against environmental hazards impacting human health.

Annual Statistical Summary of Services Provided in FY04

Many of the services and programs delivered by the Division of Public Health serve the population as a whole, rather than individuals, so statistics on individual services do not complete the picture of the Division's work. Activities such as disease outbreak response, preparation and dissemination of epidemiology bulletins to all health practitioners in the state, planning and development of health systems, and educational campaigns such as those to influence children not to smoke are but a few examples of DPH efforts to protect, promote and improve the health of hundreds of thousands of Alaskans every day. Some of the easy to quantify results from FY04 are provided below.



Public Health Nursing

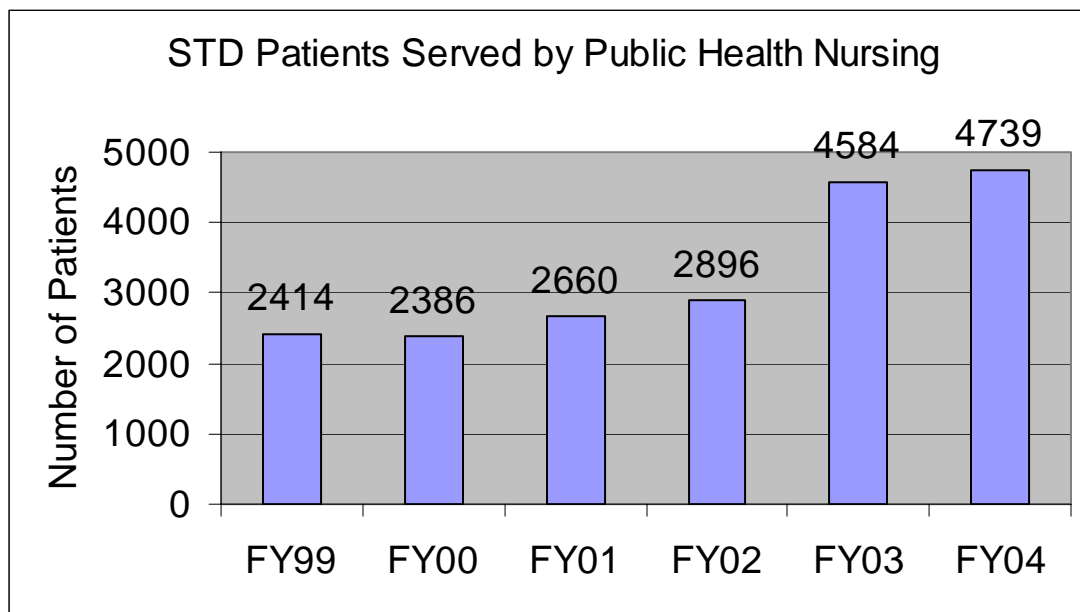
Public health nursing staff provide the Division's community based service delivery for disease prevention and protection, health promotion, and health assessments. Essential public health services are provided or assured by the state in the absence of local governments with the necessary health powers to serve as local public health authorities. Public health services are provided by nursing staff in health centers located in 23 communities, and by itinerant nurse visits to over 250 communities. Four additional areas (Norton Sound, Kotzebue, North Slope Borough, and Municipality of Anchorage) are supported through grant funding and technical assistance to assure that public health nursing services are available statewide.

In FY04 Public Health Nursing:

- Provided 160,515 health care visits to 93,354 patients, of whom 51,448 were children and youth (birth – 19 years of age).

- Administered 99,673 doses of vaccine; a 16 percent increase over FY2003.
- Gave and read 28,629 tests for TB
- Provided 3,190 Pap Smears for detection of cervical cancer in Alaskan women.
- Provided 18,590 visits for family planning to 7,628 individuals.
- Provided 9,161 visits to 4,739 patients for Sexually Transmitted Diseases—a 60 percent increase in visits and a 35 percent increase in patients served over the last two years.
- Provided 3,690 visits for HIV/AIDS services, including blood testing for 2,252 patients.

(The data above does not include the Municipality of Anchorage, a Public Health Nursing grantee, except for doses of vaccine given. The municipality uses a different data system for all but immunizations).



The Public Health Nursing budget was reduced by \$905.0 and 16.5 positions in FY 2005. The Nursing Section has worked to transition women's health and child health services wherever other providers are available and willing to deliver those additional services. These efforts will continue in FY 2006, with the challenge being a lack of health care providers in outlying communities available to accept additional clients. The capacity to respond to sudden or unexpected needs is limited at present and will be closely monitored this year. Continual close attention will be necessary to assure the minimum level of service continues to be available.

Women's, Children's and Family Health

The Section works to develop systems of care for newborns, children, women and families. WCFH staff and grantees provide services through a variety of programs, as well as collecting and disseminating information regarding the health and well-being of women, children and families.

Examples of services supported or coordinated by WCFH while in Health Care Services (HCS) in FY2004 include:

- 753 children were seen in pediatric specialty clinics to diagnose birth defects, genetic disorders and other potential health problems including neurodevelopment and neurological disorders, and cardiac and cleft lip and palate defects.
- 10,114 newborns were screened for newborn metabolic disorders.
- Over 85 percent of all newborns born in Alaska in FY2004 were screened for hearing loss, the most common congenital defect.
- WCFH administers the Title X Family Planning Grant that provides services for low-income women and teens at two sites in Alaska. In FY2004 more than 3,000 clients were served. In addition, the MCH Title V Block Grant provides funds to DPH so other Public Health Nursing sites can deliver family planning services. As a result, over 500 unintended pregnancies were averted.
- Over 6,200 women were served in the Breast and Cervical Health Check program.
- The Oral Health program began coordination of a baseline dental health survey of 2,000 third-graders in several communities across the state, part of the goal of completing a state oral plan

Certification and Licensing

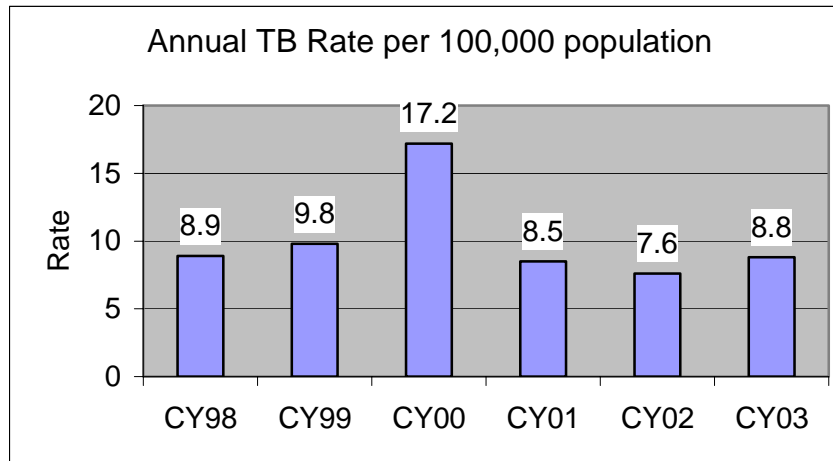
The Governor signed an executive order in 2003 to consolidate authority in DPH for the certification, licensing, and monitoring of facilities that provide care to the elderly and/or disabled. Along with centralized funding and staff came the responsibility to ensure that statutory and regulatory standards are met by assisted living homes, nursing homes and other health care facilities. The overall goal is to ensure safe living conditions and continued access to quality care for Alaskans in need.

Statistical examples of services provided in FY04 (before consolidation):

- Made 337 site visits to license, monitor or investigate assisted living homes
- Granted certification or licensure to 58 health care facilities
- Responded to 242 complaints about health care facilities
- Conducted 46 on-site investigations of health care facilities

Epidemiology

The Section of Epidemiology provides surveillance, epidemic response, prevention, investigation and control of acute and chronic diseases through defining causal factors, identifying and directing prevention and control measures and providing a basis for policy development, program planning and evaluation. These functions include the provision of medical and epidemiological expertise required for infectious disease control and epidemic response; maintaining data systems to support disease surveillance, provide an accurate picture of the health status of Alaskans, and enable improved evaluation of program activities; and assuring adequacy of immunization outreach and access to vaccinations. Other core services include partner notification and contact identification, education, diagnosis, treatment, and tracking for tuberculosis, HIV, sexually transmitted diseases, and other infectious diseases that can be transmitted from person to person; health promotion, screening and disease intervention activities to prevent and control chronic disease, with an emphasis on prevention of tobacco use and promotion of physical activity and sound nutrition; and developing public health guidelines for consumption of subsistence foods.



Examples of services provided by Epidemiology in CY03 include:

- Active tuberculosis cases – management / consultation / contacts investigated: 57 TB cases; 290 contacts
- Cases of chlamydia or gonorrhea investigated for partner notification: 3,900 chlamydia cases; 573 gonorrhea cases
- Vaccine doses distributed by the Alaska Immunization Program: 405,901 vaccine doses
- Influenza vaccine doses distributed: 99,220 influenza vaccine doses
- 24 prevention grants awarded to local agencies to help people quit tobacco, prevent youth from starting tobacco, and reduce involuntary exposure to second hand smoke.
- Publication of *Tobacco in the Great Land*, one of the most comprehensive and detailed surveillance reports of any state tobacco prevention and control program in the US.
- Quit Line telephone cessation support provided free of charge 24 hours a day, 7 days a week. Successful quit attempts by callers increased 60% in FY04.

Bureau of Vital Statistics

The Bureau of Vital Statistics oversees the registration and safeguard of vital events records for Alaska. DPH utilizes data from these records to monitor and assess the health status of Alaskans. In addition, the Bureau maintains a statewide program to train local officials and hospitals to properly complete birth, death and divorce certificates. The Bureau also provides a certification and issue process to provide the public with certified copies of records of vital events as needed for estate, passport, and innumerable other legal transactions. It produces an annual report of vital events in Alaska, including data on births, fetal and infant deaths, abortions, adoptions, marriages and divorces, and deaths. Finally, the Bureau maintains the state's Medical Marijuana Registry.

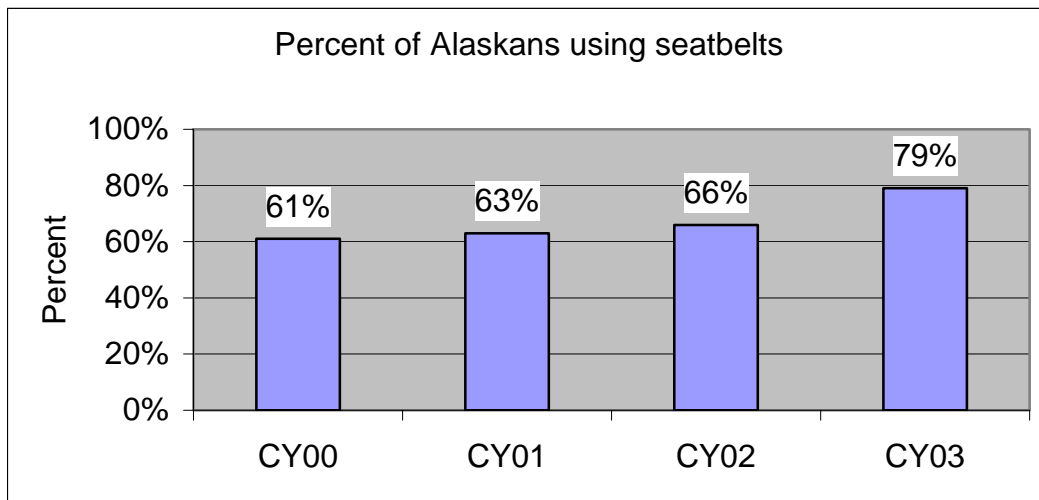
Examples of services provided in FY04 include:

- Adoptions of Alaska-born children processed: 690
- Establishments of paternity of Alaska-born children processed: 3,417
- Funds generated for the Alaska Children's Trust through heirloom birth and marriage certificates: \$32,775
- Applications for the Medical Marijuana Registry processed: 143

- Recorded these events in Alaska:
 - Births: 10,299
 - Deaths: 3,106
 - Marriages: 5,304
 - Divorces: 2,671

Community Health and Emergency Medical Services

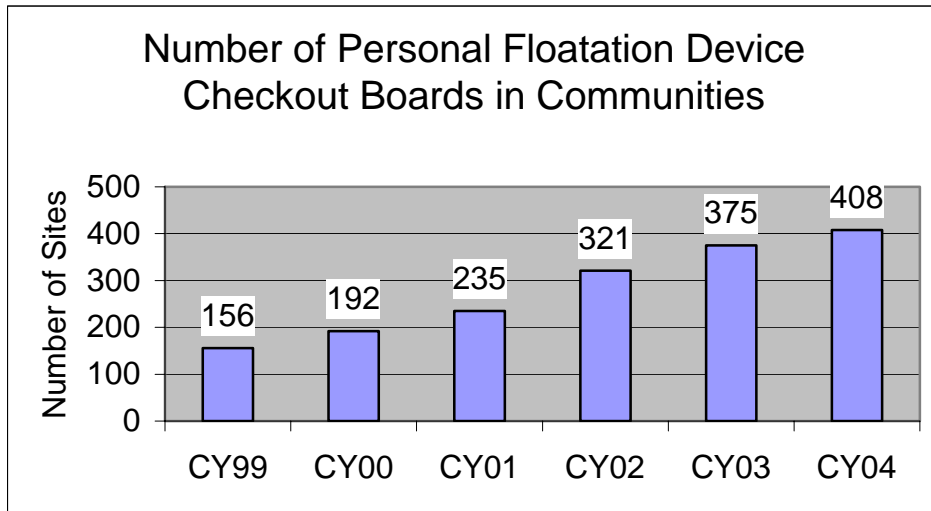
The Section provides services to reduce human suffering and economic loss to society resulting from premature death and disability due to injuries and to assure access to community-based emergency medical services.



Examples of services provided in FY04 include:

- Maintained certification of over 3,500 Emergency Medical Technicians (EMT), Emergency Medical Services (EMS) Instructors, Emergency Medical Dispatchers, and Defibrillator Technicians, and certified or recertified approximately 70 ground emergency medical services, 22 air medical services, and 3 hospital trauma centers.
- To help prevent deaths from house fires, distributed and installed 3,522 smoke alarms in rural and low-income residences, bringing the total number of Alaska communities served by this program to 47.

Supported the installation and maintenance of approximately 408 “Kids Don’t Float” life jacket loaner sites in 142 communities in all regions of Alaska by providing personal flotation devices, which resulted in nine documented cases of prevented drowning since 1998.



- Provided training and re-certification for over 120 Child Passenger Safety (CPS) technicians located in several state agencies and health organizations.
- Investigated and analyzed factors pertaining to work-related deaths to promote safer work environments.
- Collected information from approximately 300 violent death cases annually in order to support a multi-agency response to aid in the reduction of injuries and death due to domestic violence and other manners of intentional injury.

State Medical Examiner

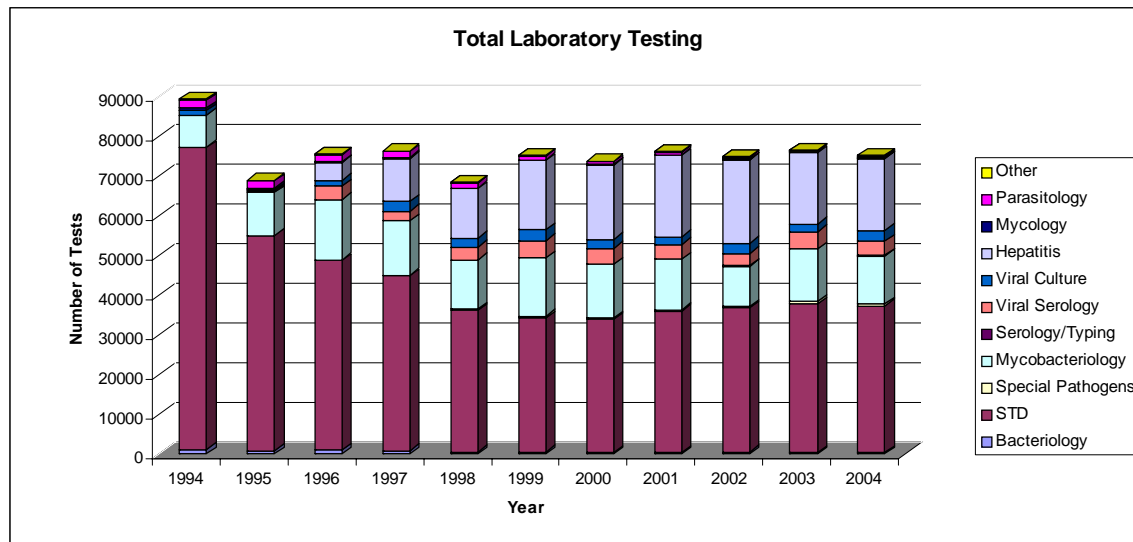
The medical examiner's office investigates and certifies all deaths that occur within the state of Alaska that are the result of violence, suspected violence, deaths due to accidental causes, deaths that occur during incarceration, deaths that are associated with conditions that pose a hazard to public safety or health, and all unattended or unexplained deaths. The examiner's office ensures appropriate follow-up on all child deaths; establishes the identity of the deceased, if necessary; maintains records and evidence; provides legally defensible determinations of the cause and manner of death; and presents findings of the investigation to courts, law enforcement agencies, and other parties with legitimate interests in the death.

Examples of services provided in FY04 include:

- Number of cases reported: 2,501
- Number of cases autopsied: 144
- Number of consult cases: 739
- Number of inspection cases: 52

Public Health Laboratories

The Section of Laboratories provides analytical and technical laboratory testing and information to support disease prevention programs, services and activities. The Anchorage laboratory provides testing for microbial, parasitic and fungal infectious agents, as well as testing for disease antibodies in the blood and for chemical and toxic agents. The Fairbanks lab provides virology testing.



In addition to laboratory testing, this section provides technical consultation and continuing education to clinical laboratorians throughout Alaska, and quality assurance and reference testing for Alaska's clinical laboratories to ensure the safety and efficacy of their services.

Examples of services provided in FY04 include:

- Total number of lab tests: 75,083 (Anchorage: 38,816; Fairbanks: 36,267)
- Total number of tests for STDs: 57,523
- Total number of tests for Hepatitis: 18,104
- Total number of tests for Tuberculosis: 12,076

List and Description of Primary Programs and Statutory Responsibilities

Public Health Nursing

AS 18.05; AS 18.15; AS 44.29

Public Health Nurses serve as the front line workforce of public health at the local level, providing a variety of services. Public health nursing collaborates with the division's sections of epidemiology and public health laboratories, as well as with local health care providers to control communicable disease outbreaks. Direct clinical and preventive services are provided in 23 community public health centers, and through visits to communities and families statewide. Services are provided in the Norton Sound region, Northwest Arctic Borough, North Slope Borough, and the Municipality of Anchorage through grants.

Women's, Children's and Family Health

AS 08.36; AS 09.25; AS 18.05; AS 18.15-16; AS 18.50 AS 44.29; AS 47.20

The Section of Women's, Children's and Family Health contributes to the delivery of population-based services and the building of infrastructure so Alaska's women, infants, children, and families can achieve the best possible health and well-being.

Certification and Licensing

AS 47.07; AS 47.08; AS 47.25

Assisted living homes, nursing homes and other health care facilities are surveyed by Health Facilities Licensing & Certification and certified and/or licensed to ensure safe living conditions and access to quality care for Alaskans in need.

Epidemiology

AS 18.05; AS 18.15; AS 44.29

Surveillance, epidemic response, investigation, and control of acute and chronic diseases including tobacco education and cessation as well as environmental health hazards are the major responsibilities of the epidemiology programs. They provide a basis for policy development by defining and identifying causal factors of disease.

Bureau of Vital Statistics

AS 17.37; AS 18.05; AS 18.50; AS 44.29

The Bureau handles registration, certification, and protection of permanent records of vital events (births, deaths, marriage, divorce, adoption, abortion).

Community Health and Emergency Medical Services

AS 18.05; AS 18.08; AS 18.15; AS 18.25; AS 18.28; AS 44.29

Community Health and Emergency Medical Services consists of two programmatic units: the EMS Unit strives to ensure that qualified and properly equipped emergency medical services personnel are available to respond to emergency medical needs; and the Injury Prevention Unit works to prevent injuries from occurring in the first place by identifying causal factors and implementing policies and strategies for prevention.

State Medical Examiner

AS 12.65; AS 18.05; AS 18.15; AS 44.29

As a key element of the public health mission to prevent injury, disease and death, the Office of the Medical Examiner designs and manages a statewide system of medical legal investigation of unanticipated, sudden, or violent deaths. Activities include providing accurate, legally defensible determination of the cause and manner of deaths; and, conducting comprehensive medical legal death investigations.

Public Health Laboratories

AS 18.05; AS 18.15; AS 18.60; AS 44.29

The State Public Health Laboratories provide analytical and technical laboratory testing and information in support of state and national public health disease prevention programs. This is a first line of defense in the rapid recognition and prevention of the spread of communicable diseases.

Explanation of FY2006 Budget Changes

Public Health (previously State Health Services)	2005	2006 Proposed	06 to 05 Change
General Funds	20,732.9	24,301.6	3,568.7
Federal Funds	26,609.9	29,645.8	3,035.9
Other Funds	14,161.4	18,386.9	4,225.5
Total	61,504.2	72,334.3	10,830.1

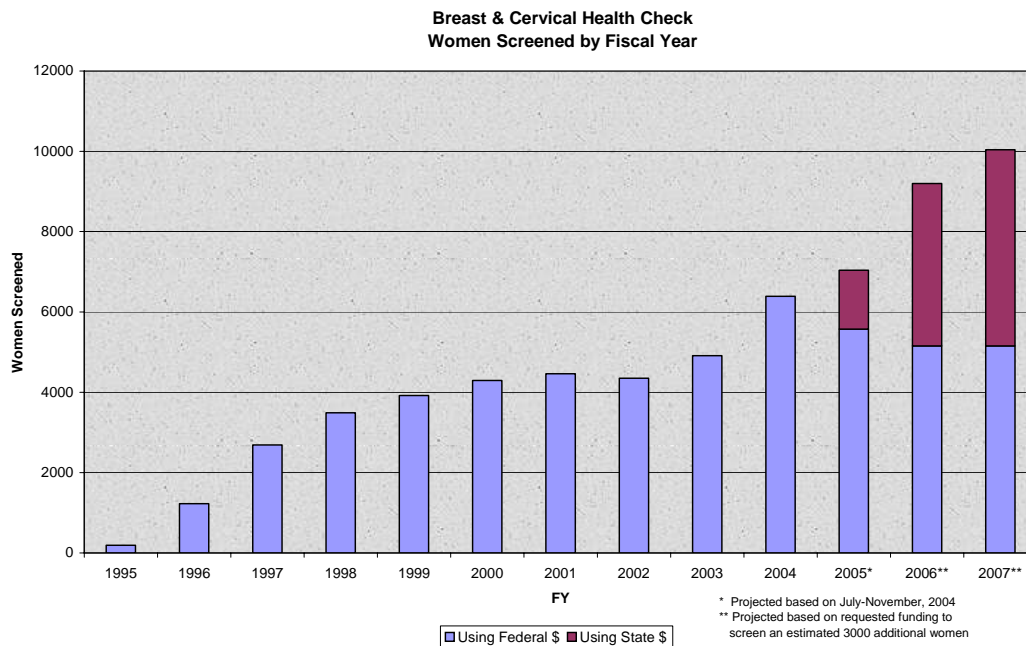
Women, Children and Family Health

New Women, Children and Family Health Component – Transfers

Under the FY04 department reorganization the Maternal and Child Family Health group was transferred to Health Care Services from the Division of Public Health. After integration, it has been determined that the responsibilities and purpose of this group are better-suited for DPH. This component is created with resources transferred from Health Care Services Women's and Adolescent's Services (component deleted) and Medical Assistance Administration as well as a transfer from DPH Epidemiology component.

Breast & Cervical Health Care Expansion \$1,800.0 GF (\$500.0 Fed)

An additional \$1.8 million GF for the Breast & Cervical Health Check (BCHC) program – designed to reduce breast and cervical cancer in medically underserved women – will expand services for those who meet eligibility criteria. Medical providers will be recruited in communities that are underserved or not served at present. With an increase in breast and cervical cancer screening, diagnosed cancers will be identified earlier and thus treated earlier, leading to a decrease in overall costs of cancer treatment, morbidity, and mortality and an associated increase in cancer survival rates. BCHC served more than 6,000 Alaska women in FY2004, an increase of 1,400 from the previous fiscal year. DPH proposes to increase the number of women served by up to 3,000 in FY06, bringing the total number of women served per year to approximately 9,200. The budget impact for FY06 is an increase of \$1,800.0 GF, partially offset by a reduction of \$500.0 Fed due to reduced federal grant funds.



Statewide Media, Education Campaign Designed to Reduce Statutory Rape \$20.0 GF, \$480.0 I/A Receipts

The Division of Public Health is reviving a statewide campaign begun four years ago to reduce the incidence of sexual assault of young girls. The requested \$500.0 will renew and enlarge upon that campaign. The project will consist of public information; provider education (for health care providers who serve teens and young adults); TV ads; news print media; engagement of schools, parents and troopers. It will assess the best information available and efforts made in other states to update and improve our media messages, and will include an evaluation as to the effectiveness of the campaign. The budget impact for FY06 is an increase of \$500.0 (\$20.0 GF and \$480.0 I/A (TANF)).

Certification and Licensing

Enhance Certification & Licensing \$225.0 RSS

The primary role of the Certification and Licensing Section (C&L) is to license and inspect a broad range of health care facilities and providers, including hospitals, nursing homes, home health agencies, assisted living providers, and other health care facilities.

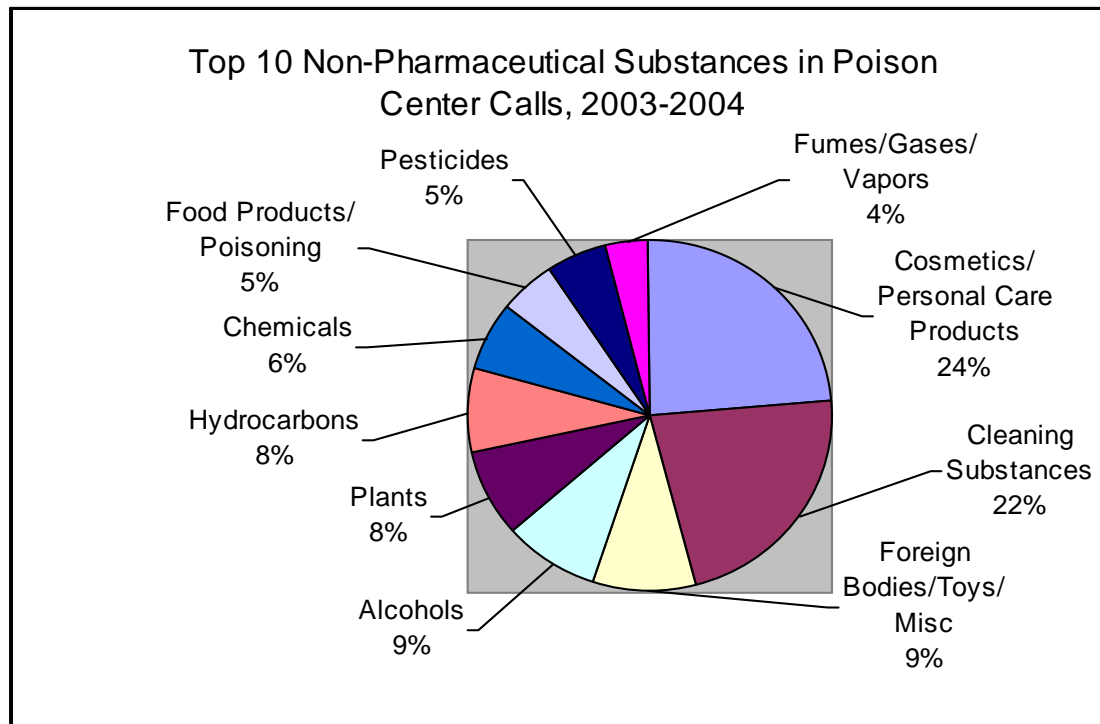
The current allocation of staff resources for the Assisted Living Home program is not adequate to maintain the current Assisted Living Homes Program requirements or anticipated needs. As of October 2004 there are 402 homes currently licensed in Alaska, with an average increase of approximating 15% annually. This equates to a current caseload in excess of 90 homes per licensing specialist. The Department is in the process of studying and developing a comprehensive plan for a new fee schedule for these services. The ability to collect an additional \$225.0 in revenues will allow the certification and licensing program the ability to better meet its commitment to quality life, health and safety for clients.

Community Health and Emergency Medical Services

Sustain Poison Control Services, 70.0 GF

On September 1, 2001, Alaska gained access to the 24/7 nationwide toll-free number for poison control center services. The implementation of this service is widely recognized as a model for successful program development of a public health service. Since the initiation of the toll-free poison center number in Alaska in September 2001, the utilization of this resource has been phenomenal. Callers in Alaska are connected with the Oregon Poison Center (OPC). During 2003, the OPC received 9,590 Alaska calls with 6,933 human exposures.

The most common poison substances for which calls were received were pharmaceuticals; the most common non-pharmaceuticals are listed in the chart below.



The cost to OPC for serving Alaska is \$140,000. OPC is currently reimbursed \$60,000 from federal funds for this service. Beginning October 1, 2004, it will be necessary for Oregon to charge Alaska \$70,000. OPC will absorb the additional \$10,000. If this is not approved the OPC will need to discontinue services to Alaska. If this service is discontinued, Alaska will be the only state in the nation without access to a certified poison center.

Community Health Grants

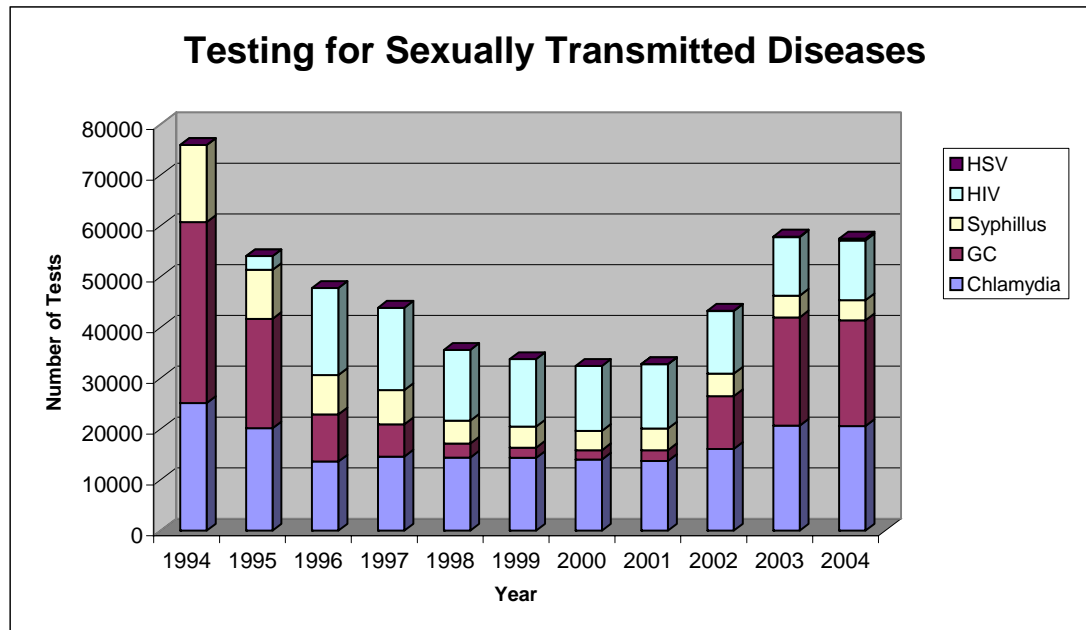
Reallocate Tobacco Funds, Replace with GF for the Community Health Grants, \$500.0 GF (\$500.0 Tobacco Educ/Cessation Fund)

This net zero fund source change will allow for reallocation of Tobacco Education/Cessation funds that are currently utilized to support grants for community-based health and social services programs to the Tobacco Program for tobacco education and cessation services. The community grants would more appropriately be funded with General Funds rather than Tobacco funds.

Public Health Laboratories

Provide Testing Service for the Alaska Native Health System \$500.0 SDPR

In 2002 the Alaska Public Health Laboratory (APHL), Division of Public Health, developed the capacity to utilize a new testing technology for detecting gonorrhea and Chlamydia infection, by far the most common agents of sexually transmitted diseases in Alaska. Infertility, pregnancy complications, and spontaneous abortion are just a few of the possible consequences of infection. The new testing system, Aptima, is a cost effective, non-invasive technique utilizing urine samples. The APHL currently tests over 20,000 specimens per year using the Aptima system. Alaska Native Medical Center (ANMC) estimates they would send up to 20,000 specimens per year to APHL and would provide the financing required through a contract, to support the additional testing supplies.



The Alaska Native Medical Center (ANMC) does not have the ability to perform lab tests utilizing the Aptima system, and currently procures these testing services from a commercial laboratory in the lower 48. Advantages of this new partnership include access to additional epidemiological data for improving disease surveillance and control activities, increased laboratory capacity for responding to public health threats and emergencies, and retention of Alaskan dollars and jobs in state. Advantages to ANMC include rapid lab result turn-around time (same day results as opposed to 2-3 days), timely treatment opportunity for patients, and reduced cost.

State Medical Examiner

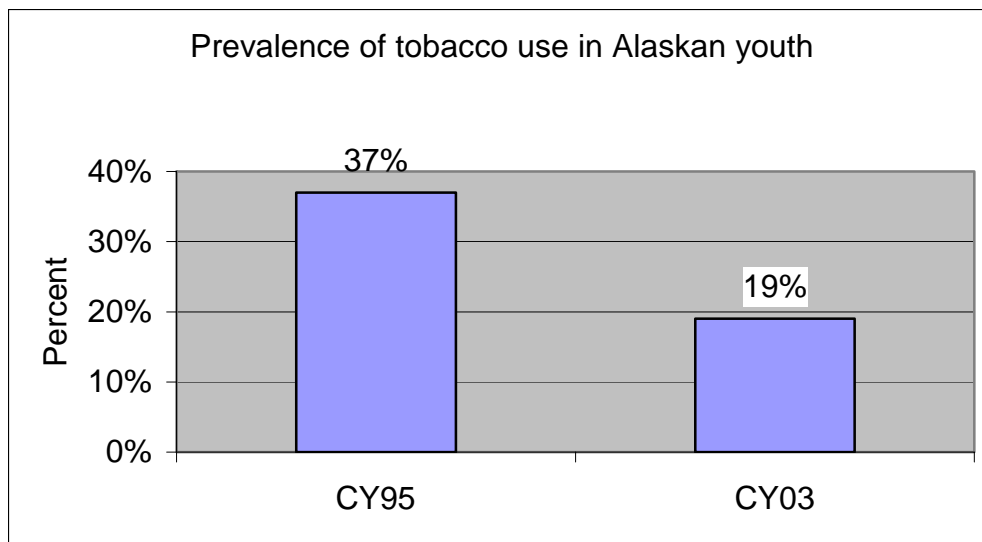
State Medical Examiner to Fulfill Public Health Mission

A proposed FY2006 increment of \$100.0 will allow much-needed work beyond the State Medical Examiner's first mission: forensic pathology to assist in criminal investigations. While that mission has been carried out well, there is other important work to be done: public health surveillance to detect new or unexpected infectious diseases and to provide information about preventable causes of death. In addition, this new funding will begin to provide support to families, who request autopsies to assist their own grieving process in the

death of a loved one. Families often want to know with more certainty what caused an unexpected death. The limitations of staff size have not allowed any of this work beyond the Medical Examiner's first mission. This increment will fund part of a needed third forensic pathologist, as well as a new autopsy assistant. The funding will also assist in the retention of current staff by spreading "on call" duties to an additional position. Finally, this increment will begin the needed improvements in practices and procedures identified in a recent review of Alaska's program by the National Association of Medical Examiners.

Tobacco Prevention and Control and Epidemiology

Increased Tax Revenues to Boost Tobacco Prevention and Control Efforts, 1,500.0 Tobacco



Through proposed increments in both the Tobacco and Epidemiology Components, DPH will utilize additional revenues generated from the increased tobacco tax to support expanded tobacco prevention and control activities. The FY06 funding with increments is \$6,751.8 for DHSS Tobacco Prevention and Control program, which is closer to the CDC recommended funding level.

Based on CDC guidelines and recommendations from the Alaska Tobacco Control Alliance, the Division will utilize the additional \$1,230.0 proposed in the Tobacco Prevention and Control Component in the following areas in FY2006: \$400.0 for community-based programs to reduce tobacco use; \$500.0 for cessation programs; \$100.0 for media and counter-marketing; and \$230.0 for surveillance and evaluation. This increment will support the expansion of grants and contracts to community-based organizations and statewide associations involved in tobacco prevention and cessation in Alaska. An additional \$270.0 proposed in the Epidemiology Component will support two additional staff positions, a Public Health Specialist II and a Public Health Specialist I, to conduct surveillance and evaluation, increase cessation services, and provide multi-faceted technical assistance to grantees and communities.

The total budget impact for FY06 is an increase of \$1,500.0 in Tob Ed/Ces funds (\$1,230.0 in the Tobacco Prevention and Control Component; \$270.0 in the Epidemiology Component).

New Fairbanks Virology Lab To Continue Vital Testing Services for 21st Century, \$24,200.0 Certificates of participation, Capital Budget

The Alaska Virology Laboratory is located in the Arctic Health Research Facility on the University of Alaska Fairbanks campus. A recent assessment of Alaska's public health laboratory system by the Association of Public Health Laboratories concluded that the Fairbanks Virology Laboratory facility is outdated, has insufficient space, and lacks the necessary physical plant requirements to function safely, and recommended that the laboratory facility be replaced. The \$24.2 million capital budget request proposed by the Murkowski Administration for FY06, which would provide for planning, design and construction of a new state-owned laboratory on the UAF campus.

The proposed new laboratory would be located on the university's West Ridge and connected to the Biological Research and Diagnosis facility. The virology laboratory provides statewide testing that aids in the diagnosis and prevention of diseases such as HIV, hepatitis, adenoviruses, rabies, rubella, herpes, influenza and other viruses. This is the only full service viral laboratory in Alaska.

There are numerous other benefits of this proposed project. For instance, the Fairbanks laboratory provides training and standardized delivery of rabies vaccine throughout Alaska; a critical program as Alaska has the highest rate of animal rabies in the nation. The new laboratory will continue to work on early detection of seasonal flu strains. Influenza typically spreads around the globe from west to east, and the Fairbanks laboratory provides sentinel information that helps national health authorities determine the make-up of each year's flu vaccine. In addition, the threat of bioterrorism and new diseases such as SARS cannot be ignored, and the new Fairbanks lab will help in the detection and identification of potentially deadly viral diseases. The \$24.2 million required for this project is contained in SB 46 and HB 68, the FY2006 capital budget.

Senior and Disabilities Services

Mission

Promote independence of Alaska Seniors and people with physical and developmentally disabilities.

Introduction

To meet this mission, the Division of Senior and Disabilities Services provides institutional and community-based services for older Alaskans and persons with disabilities as well as protection of vulnerable adults. The division administers four Medicaid Waiver programs and Senior Services and Community Developmental Disabilities Grants programs.

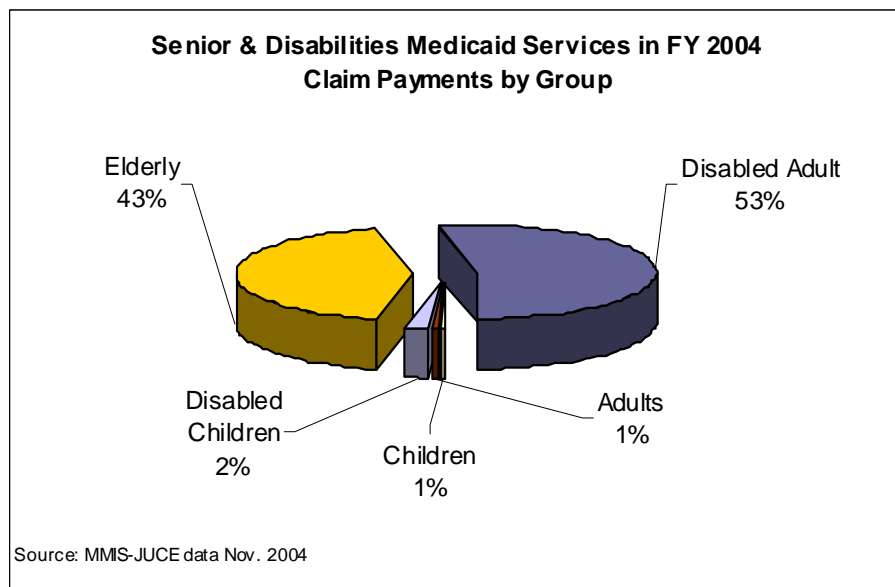
The U.S. Census Bureau predicts that the senior population in Alaska will increase from 26,000 in 1993 to over 90,000 by the year 2015, an average annual increase of 11%. Of that number, the quantity requiring significant assistance from the state will grow proportionately.

Annual Statistical Summary of Services in FY2004

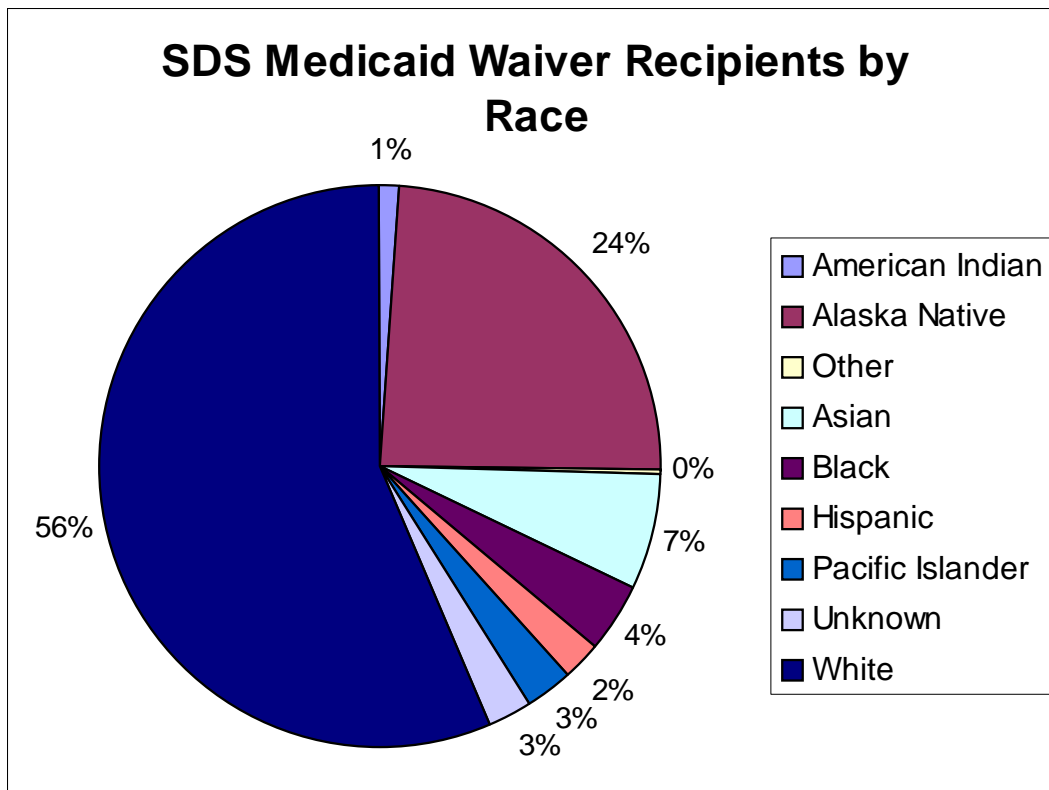
Senior & Disabilities Waiver Utilization in FY 2004				
	OA Waiver	AD Waiver	CCMC Waiver	MRDD Waiver
Number of Beneficiaries	1,294	898	211	970
% Change in Beneficiaries	-6%	-3%	3%	6%
Number of Providers	1,004	976	82	110
Number of Communities	79	58	37	67
Average Cost per Beneficiary	\$21,155	\$18,589	\$37,581	\$61,897

Source: MMIS-STARS and MMIS-JUCE data

Over half of the beneficiaries are disabled adults.

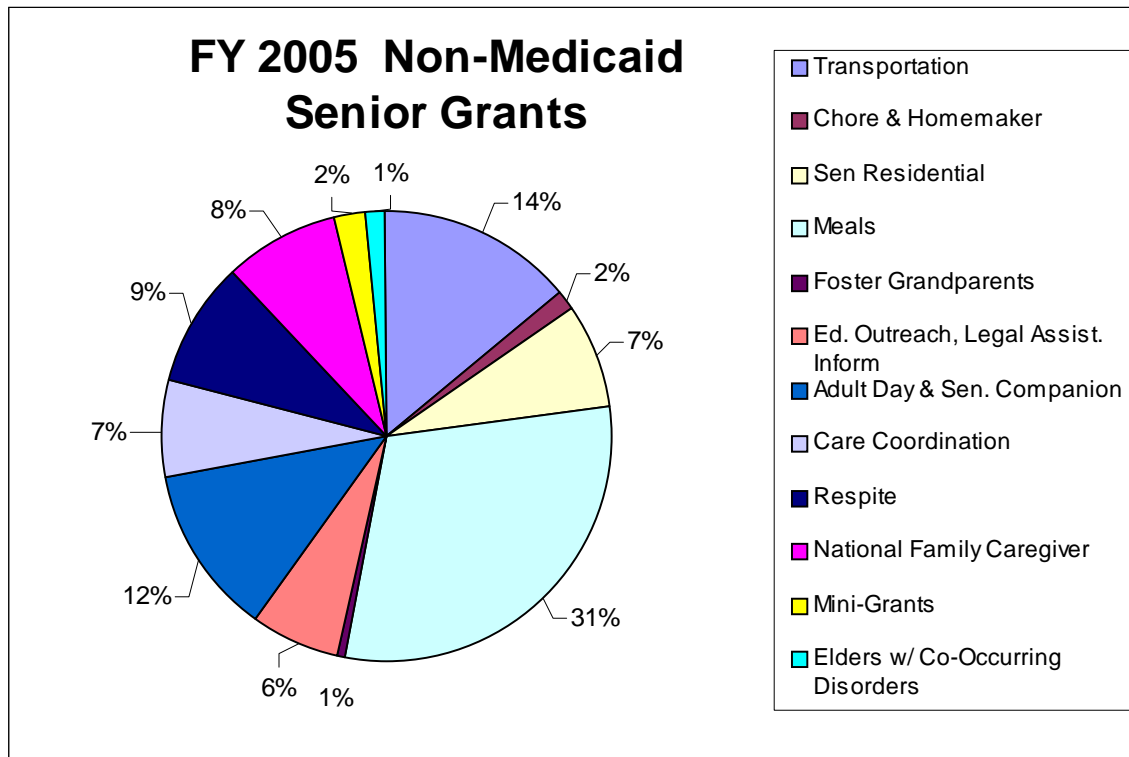


Historically, the Medicaid Waiver program has an ever-increasing enrollment, which has led to funding issues. The Division is actively seeking ways to control costs and yet protect the quality of life of the individuals that we serve.



During FY2004, the Division of Senior and Disabilities Services provided home and community based services to more than 4,000 individuals and their families. By providing these services in the community setting, we were able to delay the entry of these individuals into institutions. Also in FY2004, the division provided services to 1,150 individuals in Nursing Homes.

Grants given to Seniors that are not Medicaid funded are:



These translate into the following numbers of services:

	<u>Clients</u>	<u>Units</u>	
Homemaker	556	15,645	Hours
Chore	97	1,996	Hours
Home Delivered Meals	6,527	308,068	Meals
Congregate Meals	14,692	222,100	Meals
Nutrition Counseling	326	233	Hours
Assisted Transportation	3,317	87,016	Rides
Unassisted Transportation	4,888	124,056	Rides
Legal Assistance	1,669	5,167	Hours
Nutrition Education	812	746	Hours
Information and Assistance		58,666	Contacts
Outreach		4,722	Contacts
Adult Day Care	482	238,632	Hours
Respite Care	289	64,776	Hours
Care Coordination	1,195		

List and Description of Primary Programs and Statutory Responsibilities

Nursing Home Authorizations

The Division is responsible for the initial admitting authorizations of Medicaid eligible consumers to Skilled Nursing Facilities. Reauthorizations are completed every three to six months for those consumers staying in these facilities (depending on level of care –delete) throughout the state of Alaska and in other states if the appropriate care is not available in this state. The Division is also responsible for authorizing Await & Swing beds for hospitals, in state and out of state, while Medicaid clients are waiting admittance to a skilled nursing facility or if a skilled nursing facility is not available in the community. There are 14 skilled nursing facilities around the state. The average yearly cost for a patient in a nursing home is approx \$155,525.

Personal Care Assistance AS 47.07.030

Home care services are provided statewide in Alaska through the Personal Care Assistant (PCA) Program. PCA providers determine, with Division oversight, the level of need for services that help recipients with functional limitations perform activities of daily living which may include bathing, dressing, and grooming and problems with instrumental activities of daily living such as shopping and cleaning. Also, the Division certifies qualified agencies as PCA providers.

These services are typically provided in a consumer's home by health care paraprofessionals called personal care assistants. These services enable functionally disabled and handicapped Alaskans of all ages, and frail elderly Alaskans, to live in their own home or community, instead of being placed in a more costly and restrictive long-term care setting. Recipients may choose from 2 methods of delivering PCA Services. The Agency-Based PCA model allows consumers to use one of the 16 qualified agencies that oversee, manage and supervise their care. Or, consumers may choose the Consumer Directed PCA model that allows them to select, train, supervise, and discharge their PCA.

Home and Community Based Waiver Medicaid Services Programs AS 47.07.030

In response to the high costs of nursing facility care, Medicaid has evolved into a program that allows the state to provide long-term care in less restrictive, more cost effective services that enable people to live in home and community settings. If determined eligible by meeting specific target population criteria, level of care, and financial guidelines, a person may apply to receive services under one of the waiver programs described below. Reimbursable waiver services include care coordination, chore services, adult day care, day habilitation, environmental modifications, meals, respite care, residential care in alternatives such as Assisted Living or Group Homes, specialized equipment, specialized private duty nursing, supported employment, and transportation to waiver services.

The Older Alaskan (OA) Waiver

OA provides services to those consumers who meet nursing home level of care but wish to remain in their own homes and communities. The consumer must (1) be at the level of need provided to a client in a nursing home and (2) be

financially eligible for Medicaid to access the program. The program serves clients who are 65 years and older.

The Adults with Physical Disabilities (APD) Waiver

APD provides services to those consumers who meet nursing home level of care but wish to remain in their own homes and communities. The consumer must (1) be at the level of need provided to a client in a nursing home and (2) be financially eligible for Medicaid to access the program. The program serves clients between the ages of 21 and 64 years of age.

The Mental Retardation/Developmental Disability (MRDD) Waiver

MRDD is specifically for (1) individuals with mental retardation, autism, cerebral palsy, a seizure disorder, or a condition that means the person functions as if having mental retardation. In addition to these diagnoses, the individual (2) must have a serious limitation on how they function in everyday life. For example, it might be difficult for the person to make safe decisions or take care of personal needs without supervision. And, (3) the person requires the same level of care provided in an Intermediate Care Facility for the Mentally Retarded.

The Children with Complex Medical Conditions (CCMC) Waiver

CCMC is for children, (1) birth through age 21, (2) having a severe chronic physical condition that is expected to continue for more than 30 days. The condition is (3) life threatening and needs (4) careful all day everyday monitoring. The child is (5) dependent upon medical care or technology and (6) requires the same sort of care usually found in a hospital or nursing home.

Systems Change Grants

The Center for Medicare and Medicaid Services has awarded the Division three separate but related grants to fund the design of improvements in customer services and implement cost containment measures. This includes the Nursing Facilities Transition Grant that promotes the transition of Older Alaskans and Adults with Physical Disabilities from nursing facilities into the community. Forty-nine nursing facility transitions were made in FY04.

Adult Protective Services

The APS protect the elderly from abuse, neglect and exploitation. They educate and train the public and all related social services, health and law enforcement agencies regarding the system, statutes and regulations on elder abuse and requirements for assisted living homes.

Nutrition, Transportation, and Support Services Grants for Seniors

The Nutrition, Transportation and Support Grant provides for the following services per the State Plan for Services written by the Alaska Commission on Aging, signed by the Governor and approved by the U.S Administration on Aging: Congregate Meals, Home Delivered Meals, Nutrition Services Incentive Program (NSIP), Assisted and Unassisted Transportation, Escort Service, Chore Service, Homemaker Service, Information and Assistance, Outreach, Health Education and Counseling, Nutrition Education and Counseling, Legal Assistance, Medication Management, Media Services (provides partial

funding for the *Senior Voice*). These services are selected through the State Plan process from a menu of services available under Title III of the Older Americans Act.

These services are available to Alaskans 60 years and over and the target populations include those seniors who live in poverty, rural areas, are members of minority groups and are physically frail.

Home and Community Based Care Grants for Seniors

Home and Community based services provide a safety net for disabled seniors and their caregivers who wish to remain in their homes and would not otherwise qualify for services under the Older Alaskans Medicaid Waiver program. Services provided under this grant include:

Respite Support services provide substitute care for disabled adults to provide intermittent or temporary relief to a primary caregiver, usually a family member. Respite services funded by the Senior Grant Program target persons of any age with Alzheimer's Disease and Related Dementia (ADRD) and persons 60 years of age and older, with physical disabilities or mental health issues, who are at risk of institutionalization.

Care Coordination services assist persons in gaining access to needed medical, social, educational and other services to enable them to remain living at home or in the community of choice. Through *assessments* of clients' abilities, health, support structure, and need for assistance, care coordinators develop a network of services, both formal and informal, unique to the specific individual. Care coordinators design *plans of care* acceptable to the client and family, and assist the client in obtaining the specified services.

Adult Day services is the provision of an organized program of services during the day in a community group setting for the purpose of supporting an adult's personal independence, and promoting his or her social, physical and emotional well-being. Adult day services help clients remain in their communities and allow families and other caregivers to continue caring for them at home.

The Alzheimer's Disease and Related Dementias (ADRD) Education and Support project provides statewide services to people with ADRD and their caregivers which assists them to maintain the ADRD client at home, forestalling or preventing institutionalization. This project also provides education about ADRD to the general public, healthcare professionals, agencies, and organizations.

The National Family Caregiver Support Program provides relief from the emotional, physical, and financial stress experienced by family caregivers. Family Caregivers are Alaska's most valuable resource for providing care for disabled and older adults. Services are available to caregivers of any age caring for a disabled senior age 60 and over and Grandparents age 60 and over caring for grandchildren age 18 and under.

ADRD Mini-Grants provide additional funding to individuals with Alzheimer's Disease and Related Dementias. With funds from the Mental Health Trust Authority, Mini-Grants are a one-time award made to individuals not to exceed \$2,500 per

recipient for health and safety needs not covered by grants or other programs to help beneficiaries attain and maintain healthy and productive lifestyles.

Treatment for Seniors with Co-occurring Substance Abuse and Mental Health Disorders uses a team approach to provide comprehensive care to seniors. With funds from the Mental Health Trust Authority, services include mental health counseling, substance abuse counseling and medication management. Activities include outreach and education and collaboration with the Juneau Alliance for Mental Health. This model program is currently only offered in Southeast Alaska.

Geriatric Education

This program provides training opportunities to senior providers statewide to increase their knowledge and expertise of senior issues. With funds from the Mental Health Trust Authority, activities include funding to bring various speakers to Alaska through the Geriatric Education Center /UAA, advanced training for Care coordinators who work with Seniors, a distance delivered ADRD provider certification program provided through UAS, and an Adult Day Direct Service worker training.

Senior Residential Services

Through designated funding from the Alaska State Legislature, the Division of Senior and Disabilities Services oversees grants that support assisted living facilities for elders in Tanana and Kotzebue. By definition, assisted living facilities provide meals and assistance with daily activities to enable seniors to remain in or near their community of choice.

Rural Long-Term Care Development

Through funding from the Alaska Mental Health Trust Authority (AMHTA), the Division provides technical assistance regarding long-term care services to rural communities. Through this project the Division provides detailed assistance in creation of personal care and Medicaid waiver services in rural Alaska communities, and works with the Division of Health Care Services to encourage Tribal health organizations to enter the business of long-term care.

Community Developmental Disabilities Grants (CDDG)

The Community DD Grant Program minimizes institutionalization and provides care for people having developmental disabilities. In FY 04 CDDGs provided services to nearly 2,200 people with DD, a severe disabling condition such as mental retardation, autism, or cerebral palsy, in nearly 90 communities across the state. Services funded by CDDGs result in the acquisition or maintenance of skills to live with independence and improved capacity and reduce the need for long-term residential care. Given the demand for CDDG funded services, the Division operates a DD Waiting List, AS 47.80.130 (d), which is explained in an annual report to the legislature.

For those who meet the diagnostic and income limits, the Home and Community Based Waiver Program described above in Medicaid Services may provide similar services. However, everyone having a DD does not qualify for the Waiver Program. Additionally, everyone does not need the long-term residential care that the MRDD Waiver is designed to provide.

Under CDDG, **Core Services** are offered to individuals on the Waitlist who receive no other services from the Division. Core Services, limited to an annual amount of \$3,000 of services per recipient, alleviate crisis and delay the need of long-term care. About 500 people receive Core Services each year.

Another type of CDDG is the **Short Term Assistance and Referral Program (STAR)**. In FY 04, 12 organizations were awarded funds to operate a STAR to assist people with developmental disabilities and their families address short-term needs before a crisis occurs and to defer the need for more expensive residential services or long-term care. Many people who are on the DD Waiting List access STAR services.

Included in the CDDG component are **mini-grants for beneficiaries with developmental disabilities**. With funds from the Mental Health Trust Authority, mini-grants are a one-time award made to individuals not to exceed \$2,500 per recipient for health and safety needs not covered by grants or other programs to help beneficiaries attain and maintain healthy and productive lifestyles. Adult dental care is the most frequently requested service by those who receive mini-grants.

Within the CDDG Component are specific **grants that address the severe statewide shortage of qualified direct care staff** and assure that critical expertise is available in the state to deliver services required in AS 47.80.130.

Behavioral Risk Management Services address difficult behaviors by providing technical assistance and training for the personnel working in community DD programs, or family members and guardians. Additionally, funds are used for personal safety training for women with DD.

The **ARC Student Living Center** for the Deaf provides students who are deaf living in rural areas of Alaska with residential services and daily support while they attend the Alaska State School for Deaf and Hard-of-Hearing in Anchorage.

Dental Training is an MHTAAR project to train direct service staff employed by developmental disabilities providers in techniques of oral hygiene for people with DD. Many adults with developmental disabilities have never learned good oral hygiene techniques and the majority of direct service providers have never had any training in how to teach people to care for their teeth. Oral Hygiene is a major issue in the overall health status of people with DD.

Under the Federal DD Act, the state must have a system of **protection and advocacy** that has the capacity to provide administrative and legal remedies to civil rights concerns for people with developmental disabilities. Priority services for this program, administered through the Disability Law Center, is to provide people with developmental disabilities (DD) and their families training and assistance in methods to resolve grievances they may have with providers of developmental disability community services.

Explanation of FY 2006 Budget Changes

Senior and Disabilities Services	2005	2006 Proposed	06 to 05 Change
General Funds	93,559.9	121,459.3	27,899.4
Federal Funds	126,373.5	156,084.4	29,710.9
Other Funds	2,575.4	2,956.4	381.0
Total	222,508.8	280,500.1	57,991.3

Senior and Disabilities Medicaid Services

The Division is looking at historical expenditures and is modifying regulations and the state plan in order to control costs. Some of the changes include:

- Reducing the frequency, duration and scope for Consumer Directed Personal Care Assistance;
- With the recent implementation of regulations all but the most basic Special Medical Equipment and Environmental Modifications that will allow the individual to remain in their home and community;
- The assessment and reassessment piece of an individuals plan of services has been removed from the Care Coordinator and contracted out to an independent agency to do; and
- Increase Quality Assurance.

Increase I/A for AK Pioneer Homes Asst Living Services Match for Eligible Medicaid Clients - \$1,375.0 I/A

To budget previously unbudgeted Alaska Pioneer Home (DAPH) assisted living services state match RSA. Pioneer Home residents may now obtain Medicaid coverage and Pioneer Homes are licensed as Medicaid Providers. DSDS Medicaid Services component will make Medicaid payments to DAPH. This RDA will move the GFM portion of the Medicaid payments to DSDS.

Increase for Unrealized Cost Containment - \$7,084.4 GF and \$9,606.3 Fed

In the FY2005 budget, the Department proposed an aggressive package of cost containment proposals to reduce Medicaid costs. For the Senior and Disability Services Medicaid Program the total reduction was estimated at \$48.5 million. The Department now estimates that actual savings will be about \$31.8 million. The Department is requesting an increment of \$16.7 million, including \$7.1 million in general funds, to restore funding to the base budget for those areas of cost containment that are not attainable at this time. The following is the list of areas where reductions have not been achieved and reasons why:

- Contract Waiver Assessments - \$681.8 GFM; \$1,022.7 Fed: Level of Care Assessments have been moved from care coordinators to an independent contractor. In several cases where the independent contract denied Level of Care annual renewal,

clients have appealed and are continuing to receive services until the appeal process is complete.

- **Medicaid Waiver Savings:** - \$2,174.5 GFM; \$3,255.8 Fed: The original proposal was to contract for a cost study to standardize reimbursement rates for Waiver services. No contractor responded to the RFP. The current plan is to work with all advisory groups to review expenditures and rates for long-term care, waivers, and PCA. The division also established a moratorium on any increases in cost-based reimbursement rates until a uniform rate structure is established.
- **Eliminate Exceptional Relief** - \$1,000.0 GFM; \$1,355 Fed: Final regulations did not eliminate exceptional relief.
- **Limit Administrative costs** - \$580.0 GFM; \$870.0 Fed:
- **Reduce Respite Utilization** - \$1,590.0 GFM; \$2,392.0 Fed: Regulations to implement this savings proposal became effective June 28, 2004. However, under the Medicaid Waiver program, clients receive approval for a one year Plan of Care, which is similar to a contract. On the advice of legal counsel, the Plan of Care cannot be changed until it is up for renewal.
- **Nursing Homes-Preadmission Care Plans** - \$1,500.0 GFM; \$2,500.0 Fed: The original reduction proposal did not take into consideration that every time an individual is transferred out of a nursing home another individual in need of the level of care is admitted and fills the bed.

Increase for Audit Services on Medicaid Providers - \$200.0 GF and 600.0 Fed

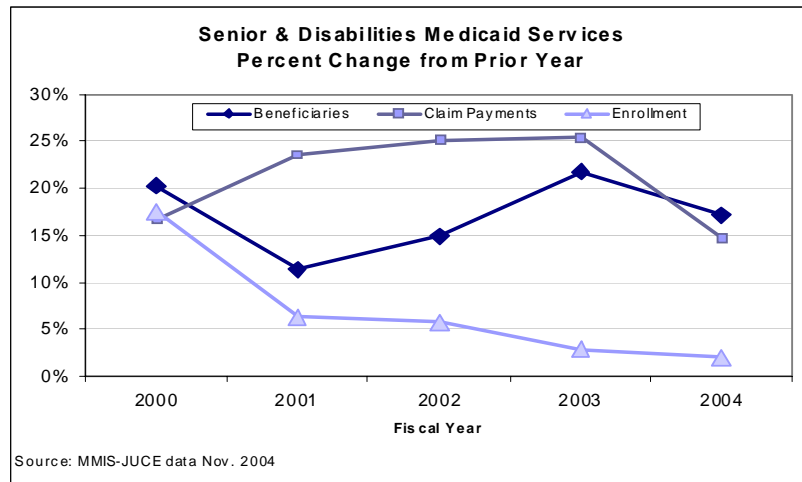
The Senior and Disabilities Medicaid Program has grown 179% over the last four years, mostly in the Personal Care Attendant program. In order to get controls in place, the division is asking for an increment to contract audit services on the Medicaid programs.

Projected Senior & Disabilities Medicaid Growth - \$19,488.2 GF and \$19,778.2 Fed

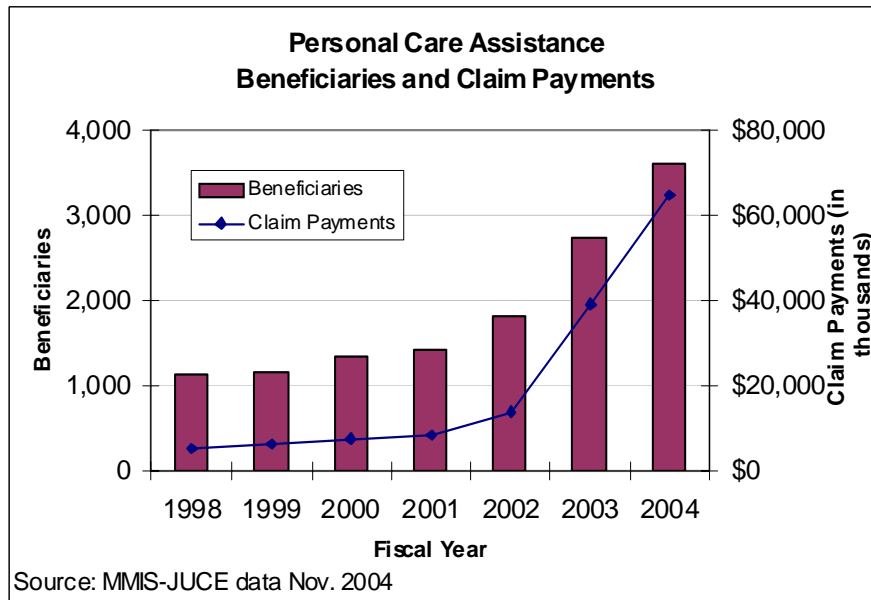
The Division is requesting an increment of \$19, 488.2 in general funds and \$19, 778.2 in federal funds for anticipated Senior and Disabilities Services Medicaid growth.

Senior & Disabilities Medicaid Services Historical Utilization			
	Enrollment	Beneficiaries	Claim Payments (in thousands)
FY 1999	94,500	43,526	\$90,587.8
FY 2000	111,100	56,107	\$105,834.3
FY 2001	118,100	73,229	\$130,887.3
FY 2002	124,920	90,668	\$163,925.3
FY 2003	128,190	108,132	\$205,790.8
FY 2004	129,555	117,683	\$236,357.6

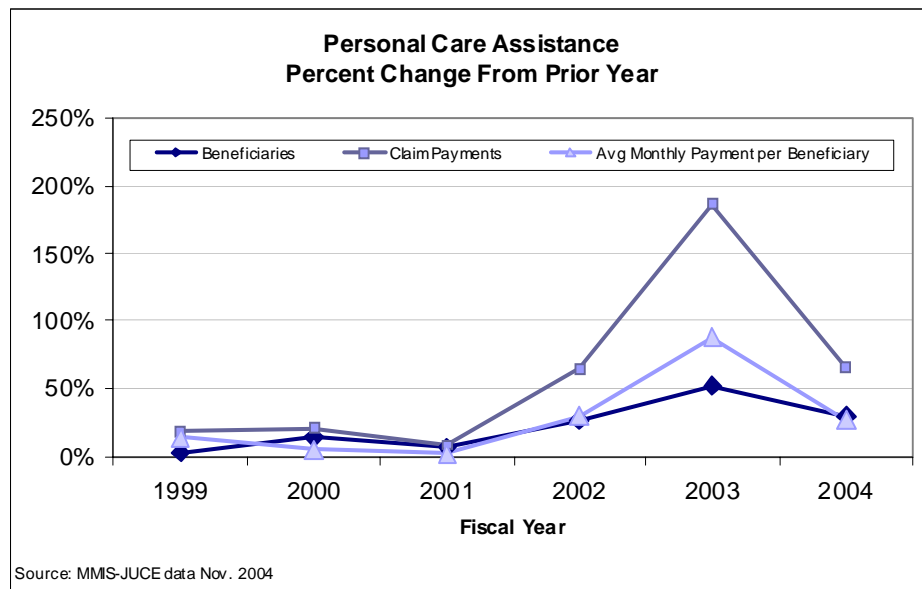
Source: MMIS data.



While costs are still rising, they are rising at a slower rate. Cost increases are due mainly to an increase in the number of beneficiaries. Growth in Medicaid waivers has tapered off since FY2002. Nursing Homes have seen a recent rise in beneficiaries while maintaining costs.



The majority of the growth has been in Personal Care Assistance. Personal Care Services accounted for 86% of the increased cost in FY04. Personal Care was the fastest growing category of service with a 65% increase between FY03 and FY04. While it continues to be the fastest growing category in Senior and Disabilities Medicaid, it is growing at a slower pace in FY05 than we saw in FY03 and FY04.



Senior and Disabilities Services Administration

Nursing Facility Transition Program \$225.0 GF; (\$225.0) Federal

The Division of Senior and Disabilities Services is requesting a funding source change of \$225.0 to continue the nursing facilities transition program after the federal funding runs out. The division is currently on a no cost extension of the federal funding through the end of SFY 2005. The Nursing Facility Transition Program specifically targets residents of nursing facilities and acute care inpatients at risk of nursing facility placement. The program funds are used for one-time transition costs to move a person from a nursing facility or acute care facility and integrate that person into the community, whether that is in their own home, an apartment or an assisted living home. The person must apply for the Home and Community Based Services Waiver so that s/he may be sustained in the community. Funds may be used to pay for a variety of options to make a home livable for that person.

In addition to assisting these individuals to live in the least restrictive settings and to help them integrate into the community, the program provides a mechanism for major cost savings. The average annual cost of sustaining a person in a nursing facility is \$155,525. The average annual cost of an Adults with Physical Disabilities waiver is \$18,589 and Older Alaskan waiver is \$21,155. By helping to transition those individuals who desire to live in the community at a one-time average cost of \$2,000, the potential savings are apparent.

Adult Protective Service (APS) Program Increase \$68.9 GF

A new position is being requested for the Adult Protective Services unit. This position will be used to protect vulnerable adults who cannot or will not take care of themselves. Currently the average caseload for each Social Worker is 45. With the increase in staffing the average will be reduced to 39.

Personal Care Attendant Program - Funding Transfer

The division is transferring \$799.0 from the Medicaid Services component to the SDS Administration component to fund 10 positions. Nine of these positions will do assessments to assure that only the services needed for an individual to lead a quality life style are

provided. This move should result in a cost savings in the Medicaid program and reverse, or at least slow, the growth the program has experienced over the past three years. The other position will provide Quality Assurance for the program.

DD Planning Contract and Medicaid Assessment - Funding Transfer

Funding for contracts for DD Systems Planning and DD Medicaid Assessments are transferred to SDS Admin (\$357.4 GF). The Medicaid Assessments contract will not be renewed in FY06 as the Division of Senior and Disabilities Services is planning to hire staff to perform these services at considerable cost savings to the State of Alaska. The DD Systems Planning contract should be charged (in part) to REAL Choice Systems Change Grant, which is budgeted in our SDS Admin Component.

Protection and Community Services

Increase Adult Protective Services \$750.0 GF

The Division of Senior and Disabilities Services is requesting an increment in the amount of \$750.0 in FY2006 for their General Relief Program. Adult Protective Services helps to prevent or stop harm from occurring to vulnerable adults. Vulnerable adults, 18 years of age or older, have a physical or mental impairment or condition that prevents them from protecting themselves or from seeking help from someone else. The harm they suffer may result from abandonment, abuse, exploitation, neglect or self-neglect. The General Relief Program provides financial assistance for individuals requiring assisted living on an emergency basis.

Because of increased numbers of vulnerable adults requiring protective services, the Division of Senior and Disabilities Services anticipates a budgetary shortfall unless additional funds can be secured. The program growth between FY2003 and FY2004 was 10%; and the projected growth between FY2004 and FY2005 is expected to be 28%. With this type of growth the projected cost for the program is expected to be \$750.0 short of funding in FY2006.

Senior Community Based Services

Consolidate Home and Community Based Services and Nutrition, Transportation and Support Services components into new component - Transfer

Nutrition, Transportation and Home and Community Based Care grants are being consolidated into a new component titled Senior Community Based Grants. The consolidation is being done in order to make the administration of the Title III grants and the matching GF more efficient. In FY2005 the Senior Employment program and one staff was transferred to the Department of Labor. The remaining Title III and senior grant programs are managed by the remaining two staff members. To make this more efficient rather than allocate the grants by programs, the division is considering distributing the grants by region. Distribution by region will give the program staff more in-depth knowledge of the programs and issues in the service areas. When distributing by regions, it makes more sense if the funds are all located in one component. It will be invisible to the grantees. The division is transferring \$5,142.4 federal, \$522.9 GF/Match and \$1,010.9 GF from the Nutrition, Transportation and Support Services Component and \$901.0 federal, \$121.5 GF/Match, \$567.5 GF, \$2,309.1 GF/MH and \$540.3 MHTAAR from the Home and Community Based Services to this new component.

Home and Community Based Care

Reduction in Mental Health Trust funding (\$684.5 MHTAAR)

The following projects have ended or have funding reductions: Elders with co-occurring disorders, ADRD Support Services, Geriatric Education and Training, and Innovative Respite or Chore Services

Home and Community Based Care

Reduction in Mental Health Trust funding (\$684.5 MHTAAR)

The following projects have ended or have funding reductions: Elders with co-occurring disorders, ADRD Support Services, Geriatric Education and Training, and Innovative Respite or Chore Services

This page intentionally left blank.

Departmental Support Services

Mission

Provide quality administrative services in support of the Department's mission.

Introduction

To meet the mission and goals of the Department and the Unit, the Division serves both external and internal customers. By administering all the department's budgetary, grants, contracts, planning, financial and management needs, this Unit provides unified assistance statewide. A primary goal is to assist all DHSS in meeting its fiduciary responsibilities.

Core Services

The core service of this Unit is to assist and be responsible for all the administrative service and management functions of the department. These responsibilities range from managing department policy to insuring all the DHSS external and internal customer needs are met in an effective and efficient manner.

	Location and Number of Positions:			
	Juneau	Anchorage	Fairbanks	Wasilla
Commissioner's Office				
Commissioner's Office	7	1		
Office of Program Review	6	10	1	
Rate Review		11		
Administrative Support Services:				
Administrative Office	9			
Budget	10			
Division Support Services	48	22		
Finance	21	6		
Grants and Contracts	32	4		
Audit	2			
Hearing and Appeals		5		
Health Planning & Facilities Management	6	3		
Health Planning & Infrastructure	13	5		
Information Technology	<u>66</u>	<u>74</u>	<u>4</u>	<u>1</u>
Total	220	141	5	1

List and Description of Primary Programs and Statutory Responsibilities

Commissioner's Office

The Commissioner's Office component provides upper-level management and policy development for the entire department. Health, Safety and Housing AS 18.05

Office of Program Review

The Office of Program Review ensures that DHSS programs accomplish their goals, and helps Divisions find ways to refinance programs to ensure that services continue during difficult financial times. Financial Management AS 37.10

Rate Review

The Rate Review component establishes efficiency in rate-setting functions throughout the Department. Medical Assistance for Needy Persons AS 47.07

Assessment and Planning

The Assessment and Planning component is tasked with planning, assessment and forecasting improvements for the Medicaid program. Medical Assistance for Needy Persons AS 47.07

Administrative Support Services

The Administrative Support Services component provides financial, budget, procurement, grant and professional service contract administration, and information services as well as human resource liaison functions. Financial Management; AS 37.07: Budget Section; AS 36.30 Procurement Section; 7 AAC 78 and 81 Grant Regulations AS 37.10

Hearings and Appeals

The Hearings and Appeals component conducts appeals for Medicaid, CAMA, and the Division of Public Assistance regarding rates and recipient benefit appeals. AS 47.07; AS 47.08 and AS 47.25

Audit

The Audit component's focus is state and federal single audit reviews and provides assistance to Legislative Audit during the Federal single audit of the Department. PL 98-502 Single Audit Act Amendments of 1996, PL 104-156 and OMB Circular A-133

Health Planning and Facilities Management

The Health Planning and Facilities Management manages the department's capital programs. Capital Projects AS 37.07.062

Health Planning and Infrastructure

The Health Planning and Infrastructure component produces health indicators and data and assesses general health planning including the Certificate of Need program.

Health, Safety and Housing, Certificate of Need AS 18.07 and AS 18.20 Medicaid School Based Claims

The Medicaid School Based Claims component improves health services access and availability for Medicaid-eligible children and families. Health, Safety and Housing AS 18.05

Information Technology

The Information Technology component's focus is to improve the efficiency and effectiveness of IT services and develop a more capable IT organization for the department. This group is governed by the new DHSS State Information Technology Plan.

Facilities Maintenance

The Facilities Maintenance component, Pioneer Homes Facilities Maintenance, and HSS State Facilities Rent component record dollars spent to operate state facilities. These units collect costs for facilities operations, maintenance and repair, renewal and replacement as defined in Chapter 90, SLA 98 and pay rent fees for some state owned buildings.

BASIC Grants

The BASIC Grants component will offer funding for collaborative community-based activities that promote and protect the health and well-being of Alaskans by addressing basic needs like food, shelter, medical, dental, etc. through innovative interventions provided by multiple agencies or groups. Health, Safety and Housing AS 18.05

Human Services Community Matching Grants

The Human Services Community Matching Grants component makes grants to qualified municipalities. AS 29.60.600

Integration Efforts

Beginning this past July 1, 2005, Department Support Services integrated many of its functions to a department level. The Financial and Management Services, Grants and Contracts Unit and Information Technology Services all merged together in order to streamline processes and make more effective business decisions for the department to meet its goals.

Division Support Section:

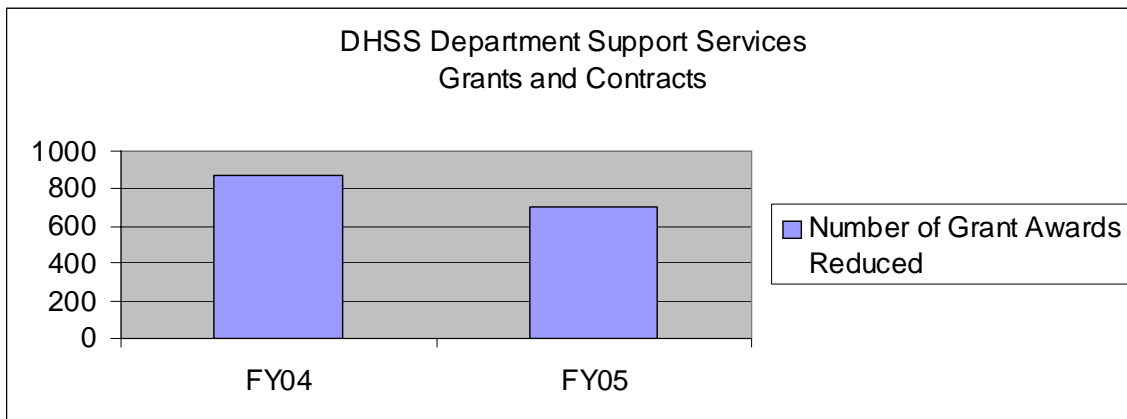
Financial and Management Services (FMS) allows for full consolidation of department-wide administrative functions within one unit, including those administrative functions specific to each DHSS division. The Division Support Unit is established within FMS under which all administrative staff are assigned. FMS Division Support administrative employees work within each division's offices with a dual reporting relationship to FMS Division Support and each respective division director, allowing for alignment of services department-wide and promoting consistency in responsibility and accountability.

Grants and Contracts:

On January 1, 2004, the Department of Health & Social Services centralized the administrative function for all DHSS grants and professional services contracts into the newly formed Grants & Contracts Support Team in the Finance and Management Services Unit. By centralizing these administrative functions, program staff still located within the divisions are better able to devote their time and energy to managing their grants and contracts from a programmatic perspective.

A further goal of the integration was to improve customer service for our grantees and vendors as well as to consolidate grant awards to DHSS Grantees. This was facilitated by providing a single point of contact for the grantee and vendor community. The FY06 process will include further consolidation of grant programs (i.e., integrating mental health and substance abuse services) and consolidating grant awards (multi program grants) to further improve efficiencies for both DHSS and grantees. Below is a table and chart showing the improvements between FY04 and FY05:

Division	Actual Number of Grant Awards in FY 04	Actual Number of Grant Awards in FY 05	Number of Grant Awards Reduced between FY04 and FY05	Percentage of Grant Awards Reduced
DPH	112	87	-25	-22%
DBH	289	217	-72	-25%
OCS	181	177	-4	-2%
DPA	34	39	5	15%
DAS/FMS	9	11	2	22%
HCS	7	0	-7	-100%
DSDS	193	154	-39	-20%
DJJ	45	25	-20	-44%
Totals	870	710	-160	-18%



Information Technology:

On July 1, 2005 the Department of Health and Social Services centralized all Information Technology staff and responsibility into one organization. The new organization is now embarking on the next stage - implementing new initiatives,

modifying existing systems and migrating from a highly distributed and diverse group of IT organizations into a single, unified group focused on providing enhanced levels of service, improved data security, and world-class customer service. IT will be implementing technologies honed and targeted to meet the current and future business needs and requirements of the Department of Health and Social Services.

The efficiencies that will be realized as a result of these initial efforts will provide a bountiful harvest in the coming years as we replace outdated systems with cutting edge technology, broaden our capabilities and capitalize on new opportunities. As a result of realizing economies of scale in software, hardware and staffing we will be helping the department establish a robust foundation for the future.

A further positive outcome from the IT Integration is that now more services are available and being managed at the department level.

Department IT Operational Activity:

Percentage Operational Expense by Category:

FY05:	Department	Multidivisional	Divisional
Direct	0.0%	16.2%	26.5%
Support	0.0%	2.0%	15.9%
Informational/Infrastructure	3.4%	0.3%	35.7%

FY06:	Department	Multidivisional	Divisional
Direct	69.9%	0.0%	4.1%
Support	16.0%	0.0%	0.0%
Informational/Infrastructure	10.0%	0.0%	0.0%

New Programs

BASIC Grants

In the FY05 Supplemental Budget, \$1 million is allocated to the new BASIC grant program. The program called BASIC grants stands for Building Alaska through Successful Initiatives in Communities. BASIC grants for basic needs. The purpose of the new grant program is to directly provide state assistance to clients with the most severe basic needs including food and shelter. Getting back to basics for the basic needs of Alaskans, using collaboration within communities.

BASIC grants will offer funding for collaborative community-based activities that promote and protect the health and well-being of Alaskans by addressing basic needs like food, shelter, medical, dental, etc. through innovative interventions provided by multiple agencies or groups. Performance based criteria will be used to evaluate the success of these interventions, and "best practices" will be shared across communities as seed ideas for future proposals.

Explanation of FY2006 Budget Changes

Departmental Support Services (previously Administrative Services)	2005	2006 Proposed	06 to 05 Change
General Funds*	14,885.2	18,296.7	3,411.5
Federal Funds	24,242.0	26,386.6	2,144.6
Other Funds	10,162.0	8,955.6	(1,206.4)
Total	49,289.2	53,638.9	4,349.7

**Includes Human Services Matching Grants*

Office of Program Review

Implement New Payment Error Rate Measurement Program \$1,047.7 (50%GF and 50% Fed)

This increment of \$1,047.7 is needed to implement new Medicaid case eligibility and medical service review requirements mandated by federal "Payment Error Rate Measurement" (PERM) regulations. The expansion of the department's quality assurance program is necessary to comply with new federal regulations to conduct Medicaid Program and State Children's Health Insurance Program (SCHIP- a.k.a. Denali KidCare) Payment Error Rate Measurement (PERM) pursuant to 42 CFR Parts 431 and 457. This rule requires State agencies to estimate improper payments in the Medicaid Program and SCHIP program.

Centers for Medicare and Medicaid Services (CMS) issued proposed regulations that require states to sample payments on Medicaid claims. CMS issued these regulations to meet requirements in the Improper Payments Act (IMPA) passed by Congress. CMS makes these regulations effective October 1, 2005. The regulations mandate a quality control review of payments to medical providers, including a review of the eligibility criteria, medical necessity, and correctness of the payment. The proposed requirements assume a 50% error rate for all states, and CMS wrote the sampling requirements to ensure each state would draw approximately the same number of claims in an annual sample. This creates a statistically valid National Sample, and an inordinately large sample size for Alaska.

FY03 Medicaid Expenditures by Division*	*** Amount in Millions	%	PERM Medical Review Sample (approx. 2000 Claim Lines/line items/providers)**	PERM Eligibility Review**	PERM Processing Review**
Health Care Services	\$ 444,971.8	58%	1,160		2,000
Senior and Disability Services	\$ 205,785.0	27%	540		
Behavioral Health	\$ 106,945.7	14%	280		
Children's Services	\$ 9,240.0	1%	20		
Public Assistance				2,000	

*Source – FY2005 Budget Overview

**Source – Proposed Federal PERM Regulations (Published 8/27/04 in the Federal Register)
Medical and SCHIP records must be requested from providers and reviewed for accuracy and medical necessity for each sampled claim line or line item.

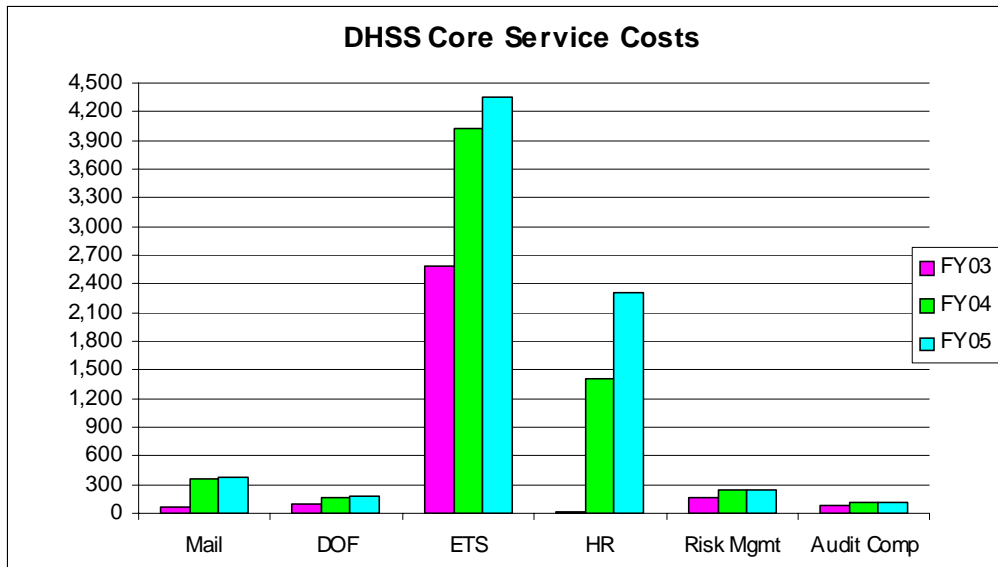
***Note: This is claims payments only.

Administrative Support Services

Increase Federal Authorization for DOA - Core Service Chargeback \$500.0 Fed

The Administrative Support Services component is requesting an increment of \$500.0 federal authorization to offset the Department of Administration charges for central core services. Higher rates are charged for mail services, leasing services, human resource services, accounting and payroll. In addition, increases have occurred in general categories for some of the central chargeback services for the department. An increase in federal funds is necessary. Based on the department's cost allocation program federal sources can be tapped for these charges. The rates are based on overhead and other factors.

<u>DHSS Cost of Core Services</u>							
	<u>Mail</u>	<u>DOF</u>	<u>ETS</u>	<u>HR</u>	<u>Risk Mgmt</u>	<u>Audit Comp</u>	<u>Totals</u>
FY03	64.7	113.9	2,604.3	31.2	164.9	92.9	3,071.9
FY04	345.4	172.9	4,010.0	1,399.8	253.0	126.8	6,307.9
FY05	380.4	193.6	4,355.4	2,303.8	249.1	126.8	7,609.1
Totals	790.5	480.4	10,969.7	3,734.8	667.0	346.5	16,988.9



Delete Incorrect Fund Sources (\$199.4) I/A

This decrement deletes Interagency Receipts that were transferred incorrectly during the FY2005 integration process.

Increase Federal Funds for Multi-State Grants Program Position \$61.2 Fed

This increment is to fund the position which oversees the multi-state program grants. The position was originally funded with Interagency Receipts but due to the reorganization we can now collect the federal directly.

Human Resources Consolidation Increased Costs \$282.6 GF

Administrative Support Services is requesting additional funds to pay the increased costs in the Division of Personnel for the allocation of consolidated human resource services. This increment covers this department's share of the increased costs and change in rate allocation methodology.

Health Planning and Infrastructure

Correction for Integration Transfer (\$129).1 I/A

This decrement deletes Interagency Receipts that were transferred incorrectly during the FY 2005 integration process.

Information Technology Services

Convert Online Resources for Children of Alaska (ORCA) IT Positions from Capital to Operating Fund Change Fund Change (\$577.0) CIP; \$288.5 Federal Funds; \$288.5 GF

The capital project for the start-up of Online Resources for Children of Alaska (ORCA) is ending. The services from the Information Technology positions servicing ORCA will be funded with operating funds.

Implement Routine Replacement Information Technology (IT) Hardware Program \$400.0 (\$125.0 GF, \$275.0 Fed)

This increment would enable Information Technology Services to develop and manage a hardware refresh cycle for the department. The department has approximately 3,000 desktop PC's, and each desktop PC/Monitor costs \$1,200.00.

A three year lease would allow us to do a 0% lease payment of \$400/year/unit or \$400.0 per year. Year one would be \$400.0, year 2 \$800.0, year three and each succeeding year \$1,200.0.

Establishing a scheduled PC Desktop refresh cycle provides the organization with a process to manage the procurement, deployment, utilization, and disposal of the units. Leasing provides a method that promotes this at the same time preserving capital, as you can spread the cost over the life of the lease.

Benefits

- Reduce cost of individual desktop units. Without a known refresh schedule the practice is to buy the most powerful desktop units available since there are no assurances of when the unit can be replaced. With a defined refresh schedule the desktop units will instead be more suited for the current business need reducing the individual cost per unit by as much as \$250.00 or a 25% savings.
- Reduce the cost of disposal. Currently staff must remove desktop units prepare them for surplus. This project proposes to use the vendors for this process at no additional cost.

| Approximation of Current Computers within DHSS

# of Computers	Type of Computer	Age of Computer
800	Pentium II's (significantly past warranty)	5 to 7 years old
800	Pentium III's (past warranty)	4-5 years old
1400	Pentium IV (still under warranty)	0-3 years old
	<i>*Standard Business Warranty is Three Years</i>	

Delete Funding Transferred Incorrectly (\$221.7) I/A

This decrement deletes Interagency Receipts that were transferred incorrectly during the FY 2005 integration process.

Replace Aging Computers and Peripherals for ORCA \$200.0 (\$50.0 Fed, \$150.0 GF)

Aging microcomputer and peripheral equipment for front-line social workers will be replaced. The ORCA computer system requires that a record of every child protective services report and its disposition be recorded on a centralized computer server. Faster notebook computers with desktop docking stations are required for speed of connectivity to

the ORCA server. Notebook computers allow for greater mobility for front-line workers who must take their computers into the field for time-critical casework that must be recorded in ORCA before the front-line worker returns to their home office (investigations requiring overnight travel, etc.) The new equipment will be leased.

OCRA Programmer Support \$178.6 (\$44.6 Fed, \$134.0 GF)

This increment adds two analyst programmer positions and funding to support the new ORCA system recently implemented for child protection services. These positions will provide ongoing Information Services for the ORCA program. These services include implementing change, correcting identified application errors, assisting with support services (help desk issues) and deal with internal application security profiles for employees.

HSS State Facilities Rent

Increase Costs for Facilities \$55.4 Fed

This increment is to cover costs of State facility increases in FY06. The increment is per the Rate sheet put out by DOA-DGS. This increase is caused by four state owned buildings that DHSS occupies (the Fairbanks Regional Office Building, the Court Plaza Building, the Juneau Community Building and the Atwood Building).

Human Services Matching Community Matching Grants

HSCMG Program Increase to Maintain Grant Levels for Anchorage and Fairbanks \$76.0 GF

To maintain grant levels consistent with FY04 and FY05 for Anchorage and Fairbanks in the HSCMG program a slight increase of \$76.0 is required to hold these two communities harmless from any reductions. This is because the individual grants to the three communities that qualify (Anchorage, Fairbanks and Mat-Su) are based on population and the pro-rated amount shifts due to slight variations in the certified population estimates. The intention is that the grant levels will not be reduced for any one grantee, thus the total amount of the program has to increase so the individual pro-rated amount for any one of the three communities is not less than the year before.

<u>Human Services Community Grant</u>					
	<u>2003 Certified Population</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>Need for FY06</u>
Anchorage	274,003.0	760,300.0	749,726.6	798,884.1	49,157.4
Fairbanks	82,214.0	239,700.0	224,953.8	239,703.4	14,749.6
Mat-Su	<u>67,473.0</u>	<u>0.0</u>	<u>184,619.5</u>	<u>196,724.5</u>	<u>12,105.0</u>
	423,690.0	1,000,000.0	1,159,300.0	1,235,312.0	76,012.0

Boards and Commissions

Mission

Boards, commissions and councils of the RDU play an important role in government by providing a mechanism for broad-based, on-going public input to planning, policy development and program evaluation.

Introduction

The Boards and Commissions are statutorily required to advocate, plan, evaluate, advise, partner, and actively involve the citizens of Alaska with regard to alcoholism and drug abuse, Alzheimer's and other related disorders, developmental and other severe disabilities, special education, infant learning program/early intervention, mental health, suicide prevention and faith-based initiatives.

Core Services:

Alaska Mental Health Board

The Alaska Mental Health Board is the state planning and coordinating agency for purposes of federal and state laws relating to the mental health program. The AMHB is responsible for evaluating the mental health program and provides a policy forum for and advocates for Alaskans with mental illness.

Advisory Board on Alcoholism and Drug Abuse

The Advisory Board on Alcoholism and Drug Abuse is the state planning agency that advocates for policies, programs and services that help Alaskans achieve healthy and productive lives, free from the devastating effects of the abuse of alcohol and other substances.

Alaska Commission on Aging

The mission of the Alaska Commission on Aging (ACOA) is to advocate for policies, programs and services that promote the dignity and independence of Alaska's seniors and help them maintain a meaningful quality of life. Participates in the planning of the comprehensive integrated mental health plan, and be available to provide recommendations when the department develops other health or service plans that impact the quality of life of older Alaskans.

Governor's Council on Special Education and Developmental

The Governor's Council on Special Education and Developmental Disabilities is charged with creating change that improves the lives people with developmental and other severe disabilities, students receiving special education, and infants and toddlers with disabilities and their families. The Council serves as the State Council on Developmental Disabilities, the Special Education Advisory Panel and the Interagency Coordinating Council for Infants and Toddlers with Disabilities.

Governor's Advisory Council on Faith-Based and Community Initiatives

The Governor's Advisory Council on Faith-Based and Community Initiatives develops faith and community organizational capacity to address the gaps in the work force and health and social service systems in Alaska.

Pioneer's Home Advisory Board

The Pioneer's Home Advisory Board is charged with conducting annual inspections of the Alaska Pioneer's Homes and making recommendations for changes and improvements.

Suicide Prevention Council

The Suicide Prevention Council component is charged with advising the Governor and Legislature with respect to what actions can and should be taken to reduce suicide and its effects in Alaska and developing a state suicide prevention plan.

List and Description of Primary Programs and Statutory Responsibilities

Alaska Mental Health Board (AS 47.30.661-666)

By state statute, the Board is required to accomplish the following:

Prepare and maintain a comprehensive plan for state mental health services. This plan is known as *A Shared Vision II*. The revision under development is known as the Integrated Strategic Plan for Behavioral Health.

Propose an annual implementation plan for *A Shared Vision II* based on findings from the evaluation of existing programs.

Provide a public forum to discuss mental health service issues for which the Board has planning and coordinating responsibility.

Advocate for the needs of Alaskans with mental disorders before the governor, executive agencies, the legislature and the public.

Advise the legislature, the governor, the Alaska Mental Health Trust Authority, and other state agencies in matters affecting Alaskans with mental disorders. This includes, but is not limited to: developing necessary services for diagnosis, treatment and rehabilitation; evaluating the effectiveness of programs in the state providing diagnosis, treatment and rehabilitation; legal processes that affect screening, diagnosis, treatment and rehabilitation.

Provide to the Alaska Mental Health Trust Authority recommendations concerning the integrated, comprehensive mental health program for persons with mental disorders and the use of money in the mental health trust income account.

Report periodically regarding its planning, evaluation, advocacy and other activities.

Advisory Board on Alcoholism and Drug Abuse (AS 47.30.470-500 and AS 47.37)

Provide adequate staff support and facilities to maximize the effectiveness of the Advisory Board's work.

Provide advice to the Governor, Legislature and departments within the State on alcohol and drug related issues.

Monitor the effectiveness of state-funded programs and services.

The Board shall prepare and maintain a comprehensive plan of services for the prevention and treatment of alcohol, drug, and other substance abuse and, for chronic alcoholics suffering from psychosis.

Provide board member and staff expertise to the Division of Behavioral Health in the process or reorganization and integration of statewide behavioral health service delivery system.

Assist the Department of Health and Social Services in the development of the Comprehensive Integrated Mental Health Plan.

Provide recommendations for service delivery and funding to beneficiaries of the Alaska Mental Health Trust Authority.

Advocate for the development of community-based solutions to these problems.

Monitor legal processes that affect the treatment and rehabilitation of alcoholics and drug abusers.

Alaska Commission on Aging (AS 44.21.200-240)

Responsibilities of the Alaska Commission on Aging include:

Prepare a comprehensive statewide plan for services and program development as required by statute and the Older Americans Act, to address the current and future needs of older Alaskans and their caregivers. This plan is known as the *Alaska Commission on Aging State Plan for Services*.

Gather data and conduct public meetings to ensure broad based public interaction from older Alaskans, caregivers, providers, direct service workers, educators, local and tribal governments, and the private sector to analyze policy issues and service systems, to advocate for change to meet the future needs of older Alaskans and caregivers. Public meetings will be held across regions, and include rural communities, to ensure broad based public interaction.

Recommend legislation, regulations, and appropriations to provide services and program development for older Alaskans and caregivers.

Advocate for and encourage the development of municipal and other local, and regional commissions or advisory boards representing older Alaskans and their caregivers, that will assess local or regional needs and make recommendations to the ACOA.

Prepare an annual report for submission to the governor and legislature that analyzes existing services and programs, and includes recommendations for the future needs of older Alaskans and caregivers.

Provide to the Alaska Mental Health Trust Authority recommendations concerning the integrated comprehensive mental health program for persons identified with Alzheimer's Disease or Related Disorders (ADRD) and their caregivers, a statutory requirement under the terms of the Alaska Mental Health Trust Authority settlement.

Provide necessary staff and adequate funding to carry out the statutory responsibilities of the Alaska Commission on Aging.

Governor's Council on Special Education and Developmental Disabilities (PL 106-402; PL 105-17 Part B and C; AS 14.30.231; AS 14.30.610; AS 47.20.020; AS 47.80.030-090)

State statute requires that the Governor's Council:

Advocate the needs of individuals with disabilities before the executive and legislative branches of the state government and before the public.

Advise the executive and legislative branches of the state government and the private sector on programs and policies pertaining to current and potential services to individuals with disabilities and their families.

Work with the Departments of Health and Social Services and Education and Early Development, to develop, prepare, adopt, periodically review, and revise as necessary an annual state plan prescribing programs that meet the needs of persons with developmental disabilities.

Review and comment on state plans and proposed regulations relating to programs for persons who are experiencing disabilities before the adoption of a plan or regulation.

Submit budget recommendations for services to individuals with disabilities.

Provide information and guidance for the development of appropriate special educational programs and services for a child with a disability.

Monitor and evaluate budgets or other implementation plans and programs for individuals with disabilities to assure non-duplication of services and encourage efficient and coordinated use of federal, state, and private resources in the provision of services.

Provide recommendations to the Alaska Mental Health Trust Authority for the integrated comprehensive mental health program and the use of the money in the mental health trust settlement income account.

Other duties of the Council include the following:

Implement the activities listed in the 5-year strategic plan for individuals with disabilities and their families.

Evaluate programs for consumer satisfaction, efficiency and effectiveness.

Collect and analyze data about programs, and services impacting the quality of life of people with developmental and other severe disabilities, students receiving special education, and infants and toddlers with disabilities.

Review in-state and outside programs for people with disabilities, students receiving special education, and infants and toddlers with disabilities.

Solicit public comments about public policy and state-funded programs.

Convene stakeholder groups to study issues affecting the lives of people with disabilities and make recommendations for change.

Submit findings and recommendations to policymakers in administration and the legislature and advocate for needed changes.

Assist individuals with disabilities and their families to speak on their own behalf and on behalf of others in the development of regulation and legislation.

Provide support to assist individuals with developmental disabilities to become leaders and to participate in cross-disability coalitions.

Governor's Advisory Council on Faith-Based and Community Initiatives (Administrative Order #221)

State statute requires that the Council:

Advise the Governor on policies and practices to increase the contributions of faith-based and community organizations.

Promote service partnerships between faith, community and governmental entities.
Coordinate faith-based and community initiatives programming among the executive branch departments.

Provide a single point of contact for faith-based and community organizations to receive information, assistance and referrals within the executive branch of state government.

Provide guidance, direction and support for increased collaboration among faith-based and community organizations and between faith-based and community organizations and the executive branch of state government.

Seek financing to support faith-based and community initiative programs and services.

Facilitate or provide grant writing training, organizational development and other technical assistance and training to help faith-based and community organizations develop increased capacity to provide services and programs to those in need in Alaska.

Provide training to state employees in the executive branch on how to work with faith-based and community organizations.

Develop intergovernmental agreements among state agencies in the executive branch necessary to implement faith-based and community initiatives programming across departmental lines.

Pioneer's Home Advisory Board (AS 44.21.100-130)

State statute requires that the Advisory Board:

Hold meetings or teleconferences regarding inspections of the property and policies and procedures of the Alaskan Pioneer Homes for recommendations to the Governor.

Suicide Prevention Council (AS 44.29.300-390)

The Council is the state planning and coordinating agency for issues surrounding suicide and suicide prevention as established by Alaska Statute 44.29.300-390.

As established by Alaska Statute 44.29.350, the powers, duties, and responsibilities of the Council are to act in an advisory capacity to the governor and the legislature with respect to what actions can and should be taken to:

- a. improve health and wellness throughout the state by reducing suicide and its effect on individuals, families, and communities;
- b. broaden the public's awareness of suicide and the risk factors related to suicide;
- c. enhance suicide prevention services and programs throughout the state;
- d. develop healthy communities through comprehensive, collaborative, community-based and faith-based approaches;
- e. develop and implement a statewide suicide prevention plan; and
- f. strengthen existing and build new partnerships between public and private entities that will advance suicide prevention efforts in the state.

Explanation of FY2006 Budget Changes

Boards and Commissions	2005	2006 Proposed	06 to 05 Change
General Funds	543.4	875.4	332.0
Federal Funds	1,890.6	1,912.9	22.3
Other Funds	1,680.7	1,193.4	(487.3)
Total	4,114.7	3,981.7	(133.0)

Alaska Mental Health Board

Decrement of Mental Health Trust Authority Authorized Receipts (MHTAAR) funding (\$90.4)

This decrement represents the loss of MHTAAR funding for two projects and the addition of MHTAAR funding for a third project. 65.4 funded half of the AMHB H&SS Planner II position and provided other board support. This decrement will result in elimination of 1.0 or more of the AMHB's 3.5 FTE or other significant personal services adjustments. It will also result in reducing the number of AMHB meetings and essential staff travel. 50.0 funded Strategic Communication Plan implementation; the Alaska Mental Health Trust Authority in FY06 will retain these funds and the project will continue under AMHTA fiscal management. An increment of 25.0 will fund the Family Voice project, which will be managed and implemented by the AMHB.

The capacity of the AMHB to fulfill its fundamental program and statutory responsibilities (specifically, prepare and maintain a comprehensive plan for state mental health services; propose an annual implementation plan; provide a public forum for mental health service issues for which the Board has responsibility; advise the legislature, the governor, the AMHTA, and other state agencies; and provide to the AMHTA recommendations concerning the integrated, comprehensive mental health and the use of money in the mental health trust income account) will be significantly reduced as a result of this decrement.

Advisory Board on Alcoholism and Drug Abuse Component

Decrement of Mental Health Trust Authority Authorized Receipts (MHTAAR) funding (\$254.9)

\$200.0 of this decrement was for projects ending in 2005. \$54.9 is going to impact our budget in a very big way. \$34.9 will have to be taken away from Personal Services, leaving us with not enough funding to pay for our Planner II position. \$20.0 will have to be taken away from travel, leaving only \$5.0 for Board and staff travel for the year. Each Board meeting normally costs between \$10.0 and \$12.0. This decrement will not allow the Board to have one face-to-face board meeting in 2006.

Alaska Commission on Aging Component

Decrement of Mental Health Trust Authority Authorized Receipts (MHTAAR) funding (\$9.9)

A \$7.5 reduction in the Travel line item, may require that the ACOA conduct rural outreach activities in a different manner than holding one of its quarterly meetings in a rural community as has been done in the past. A \$2.4 reduction in the Personal Services line item should not significantly impact the Commission's ability to perform its responsibilities.

Governor's Council on Special Education and Developmental Disabilities Component

Decrement of Mental Health Trust Authority Authorized Receipts (MHTAAR) funding (243.0)

This decrement represents a salary adjustment and the loss of MHTAAR funding from the Alaska Mental Health Trust Authority for five projects. The salary adjustment for the research analyst project (\$2.4) will be offset by a decrement in the travel line item. The Donated Dental Project (\$38.3) will now be managed directly by the Alaska Mental Health Trust Authority.

The Inclusive Childcare Project (\$100.0) has ended. Capacity to serve and include children with disabilities in childcare settings has greatly improved. The Council will continue to work with the Division of Public Assistance to coordinate ongoing activities and identify additional resources for continued capacity building.

Funding for the cross-beneficiary Recruitment and Retention Project has been reduced by \$50.0. The loss of these funds will reduce activities to increase the recruitment and retention of direct service staff serving Trust beneficiaries. The turnover of direct service staff significantly impacts the quality of services provided to Trust beneficiaries, which impacts their health and safety. The Council will continue to identify opportunities to leverage additional funds for this project; discussions are currently underway with staff of the Alaska Workforce Investment Board since this project fits with one of the board's priorities.

Funding for the Partners in Policymaking Project has been reduced by \$50.0. This project prepares individuals with developmental disabilities and their families to not only advocate for themselves but also on behalf of others. In addition to training workshops, information dissemination and support for People First, a self-advocacy organization for people with developmental disabilities, intensive internships have been made available to individuals with developmental disabilities and/or their families. These interns have undertaken a variety of activities in their local communities that have improved the lives of their fellow residents with disabilities and have gone on to undertake leadership positions on local and state boards and commissions. The number of internships made available will be reduced as a result of this decrement, which will decrease the ability of to create change that benefits not only individuals with developmental disabilities and their families but also the broader community and the state of Alaska. However, the Council will work with a variety of stakeholders to identify opportunities to leverage additional resources for this project.

Governor's Advisory Council on Faith-Based and Community Initiatives Component

Increment establish Faith Based and Community Initiative Council, GF \$315.0 and I/A \$105.0

The focus of the Faith-Based and Community Initiatives is to provide support and technical assistance to faith and community organizations to increase their capacity to serve, and to form collaborative partnerships with other groups and government agencies that work to improve the lives of people around the state.

Pioneer's Home Advisory Board Component

There are no changes to the Pioneer's Home Advisory Board in FY2006.

Suicide Prevention Council Component

There are no changes to the Suicide Prevention Council Component in FY2006.

Over time, the continued decrements to the Statewide Suicide Prevention Council has made completing its statutory obligations extremely difficult. At the end of FY04 the Council made the decision to hire only a part-time coordinator because of the reduction in FY05 funding; the Council budget also only allowed for three in-person meetings with the fourth meeting taking place via teleconference. The reduction in funding has also made it difficult to disseminate and train communities on the implementation of the Statewide Suicide Prevention Plan and fully conduct its suicide prevention public awareness campaign.

Based on the results of the Legislative Budget and Audit Committee's sunset recommendations for the Statewide Suicide Prevention Council, the Council may need to ensure that legislation is drafted and passed to continue its mission and goals.

Performance Measures

Department of Health and Social Services

Mission

To promote and protect the health and well being of Alaskans.

Core Services

- Provide quality assisted living in a safe home environment.
- Provide an integrated behavioral health system.
- Promote stronger families, safer children.
- Manage health care coverage for Alaskans in need.
- Address juvenile crime by promoting accountability, public safety and skill development.
- Promote self-sufficiency and provide basic living expenses to Alaskans in need.
- Protect and promote the health of Alaskans.
- Promote independence of Alaska Seniors and people with physical and developmental disabilities.
- Provide quality administrative services in support of the Department's mission.

Performance Measure Detail

A: Result - Outcome Statement #1: Provide a safe environment for Alaska pioneers and veterans.

Target #1: Reduce Pioneer Home resident serious injury rate

Measure #1: Pioneer Home resident serious injury rate compared to the national standard.

Alaska Pioneer Home Resident Injury Rate

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	2.9%	.7%	0%	0.37%	.99%
2003	1.1%	0.04%	1.79%	1.5%	1.1%
2004	1.2%	0.44%	0.49%	1%	0.78%
2005	2.5%	0	0	0	0

Analysis of results and challenges: The National Safety Council lists falls in older adults as five times more likely to lead to hospitalization as other injuries. 10-20% of the time such incidents result in a serious injury, and 2-6% result in a bone fracture. In skilled nursing facilities, 50% of all residents will fall in a year. If they are ambulatory, the incidence goes up to 61% for residents 75 years of age and older.

The table above summarizes the quarterly percentage of all reported falls resulting in sentinel event injuries within the Alaska Pioneers' Homes for FY02-FY04. The National range is between 2-6%. Reporting of injury rates is "voluntary" at the national level for nursing homes or assisted living facilities so a specific injury rate standard has not been established. The

Alaska Pioneer Homes have continued to be below the low-end of the National Fall Injury Rate range.

Examples:

	Actual Number of Falls	Sentinel Event Injuries*	Pioneers' Homes Fall Injury Rate	National Fall Injury Rate
1 st Qtr FY2003	276	3	1.1%	From 2 to 6%
1 st Qtr FY2002	238	7	2.9%	From 2 to 6%
2 nd Qtr FY2003	276	1	0.4%	From 2 to 6%
2 nd Qtr FY2002	279	2	0.7%	From 2 to 6%

JCAHO defines as "a sentinel event is an unexpected occurrence or variation involving death or serious physical or psychological injury, or the risk thereof." Sentinel injuries are what the national health care professionals indicate as an area needing to be addressed.

The Pioneer Homes track falls and trend them to try to address the "root cause", e.g. shortage of staffing on certain shifts; patients not asking for assistance during the night; are surfaces safe for walking, etc. The ultimate goal is provide the safest environment as possible with available staffing and resources.

A1: Strategy - Provide sufficient staffing for safe environment in the homes.

B: Result - Outcome Statement #2: Maximum wellness for Alaskans with serious behavioral health problems.

Target #1: 75% of target population will report improvement in a productive activity: employment, housing situation, health status, economic security, and/or education attained.

Measure #1: Alaska outcome data reported as part of the Federal Government Performance and Results Act.

Analysis of results and challenges: Data not available for this measure at this time.

Target #2: To reduce the number of arrests or incarcerations related to use of alcohol by 10%

Measure #2: % of police arrests or incarceration, as reported from APSIN, resulting from use of alcohol compared to previous calendar year.

Analysis of results and challenges:

A target has not been developed for this key leading indicator of alcohol use in Alaska. Our strategies would include:

- Reduce # of Alaskans drinking and driving
- Increase prevention and intervention to reduce use of alcohol

Alcohol Related Arrests:
CY 2002 3491
CY 2003 3665

Total Arrests:
CY 2002 7498
CY 2003 7911

Percent of Arrests related to Alcohol:
CY2002 45.56%
CY2003 46.33%

Note: Based on APSIN data for DPS only. Arrest count is based on the number of persons arrested. An arrest is considered alcohol related if any charge for the arrest was flagged as alcohol related.

Target #3: To reduce the rate of suicides in Alaska by 10% by 2010.

Measure #3: Alaska's suicide death rate compared to National rate

Analysis of results and challenges: Alaska averages about 125 suicides per year and has a suicide rate double the National suicide rate. The Healthy Alaskans 2010 target is to reduce Alaska's rate of 10%.

Suicides

Rate of Suicides 1993-2002*

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Alaska Rate	21.5	25.2	20.7	22.2	22.5	22.7	17.2	21.1	16.5	20.9
US Rate	12	11.9	11.8	11.5	11.2	11.1	10.5	10.4	10.7	10.6
Lives Lost	140	148	122	128	130	131	95	135	103	131

* Rate is number per 100,000 and accounts for changes in the populations size.

* 2003 population data not available yet.

In 1999, there was an unusual number (23) of deaths reported as “undetermined intent.” This most likely should have been classified as suicides.

Below is a breakout of the number of suicides in Alaska from 1993 – 2003.

Alaska and Alaska Native Suicide Deaths: 1993-2003

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Alaska	140	148	122	128	130	131	95	135	103	131	119
Native	48	54	38	41	38	50	34	54	31	42	40
Non-Native	92	94	84	87	92	81	61	81	72	89	79

* 2003 are preliminary #'s

Attempted Suicides

Information on non-fatal suicide attempts below adds the seriousness of suicide risk in Alaska.

Alaska Non-Fatal Suicide Attempt Hospitalization Rates								
	1994	1995	1996	1997	1998	1999	2000	2001
AK Rate	83.2	93.4	85.4	100.9	83.8	90.0	98.3	103.7
Native	199.6	256.0	197.6	264.4	230.3	231.0	263.7	253.6
Non-Native	58.1	56.4	57.2	63.0	48.7	57.8	60.1	69.5

Rates are per 100,000 population.

Alaska Non-Fatal Suicide Attempt Hospitalizations								
	1994	1995	1996	1997	1998	1999	2000	2001
Alaska	500	562	517	615	517	560	616	657
Native	192	251	197	269	238	242	293	282
Non-Native	293	284	289	320	250	299	310	363
Race Unk	15	27	31	26	29	19	13	12

Source: Alaska Trauma Registry, 8/31/2004

The Alaska Trauma Registry includes all patients that are observation admissions or full admissions (24 hours or more) to an Alaska hospital due to injury, suffocation or poisoning. For suicide attempts we have limited this to "non-fatal" intentional self-inflicted injury (these come under ICD-9 External Cause of Injury Codes E950.0 - E959) and by trauma registry criteria that must have been seriously enough injured to warrant admission to the hospital.

Region	Suicide Rate	Suicide Attempt Rate
Anchorage/Mat-Su	14	69.2
Fairbanks North Star Borough	18	106.7
Gulf Coast	18.4	75.2
Northern/Interior	79.1	241.6
Southeast	12.9	111.1
Southwest	39.1	148.9

*Age Adjusted Suicide Rates by Region, Alaska: 1998-2002

* Suicide Attempt Rates by Region, Alaska: 1997-2001

Source: Alaska Trauma Registry (Rates are per 100,000 population)

Target #4: Reduce the 30 day readmission rate for API by 10% on an annualized basis

Measure #4: # of API re-admissions as compared to hospital bed days divided by the number of months.

Analysis of results and challenges: Percent of admissions to the facility that occurred within 30 days of a previous discharge of the same client from the same facility. For example, a rate of 8.0 means that 8% of all admissions were readmissions.

This measure not only is an indication of successful outcomes for API, but also of the mental health community system. The ultimate goal is to have Alaska's rate fall below 10%.

30 Day Readmission Rate

Reporting Period	API Mean
6/1/2003	9.89
7/1/2003	17.86
8/1/2003	11.46
9/1/2003	14.29
10/1/2003	19.61
11/1/2003	13.48
12/1/2003	12.64
1/1/2004	21.31
2/1/2004	10.81
3/1/2004	20.83
4/1/2004	18.1
5/1/2004	16.51
12 Month Average	15.57

API's 30-day Readmission rate over the 12-month period 6/2003 - 5/2004 averages 15.57.

B1: Strategy - Provide enhancements to prevention and early intervention services.

C: Result - Outcome Statement #3: Children are, first and foremost, protected from abuse or neglect.

Target #1: Reduce child abuse rate in Alaska.

Measure #1: % change in rate of substantiated Reports of Harm in Alaska compared to last three years

Analysis of results and challenges: In September 2003, OCS began operating under a program improvement plan (PIP) developed in response to findings of the federal Child and Family Services Review. A major focus of the PIP is to improve the safety of children including reducing repeat child abuse and neglect. Goals include reducing the recurrence of maltreatment, reducing the incidence of maltreatment by out-of-home care providers, establishing sufficient staffing levels to meet national caseload standards, and increasing services to families.

Reports of Harm by SFY Received

SFY	Received	Investigated	Substantiated	Other Finding*
2000	16,372	12,645	5,627	7,018
2001	17,414	13,580	6,138	7,442
2002	15,424	11,824	5,309	6,515
2003	14,354	11,329	4,486	6,843
2004	12,080	11,202	4,303	6,899

*Includes reports with a finding of unconfirmed, invalid, or can't locate.

"Investigated" counts investigations completed by OCS for reports received during the year. It does not include reports referred to Duel Track, tribes or the military.

	<u>Rate</u>	<u>Percent Change</u>
SFY 1999	27.3	
SFY 2000	29.4	7.70%
SFY 2001	32.2	9.50%
SFY 2002	27.6	-14.3%
SFY 2003	23.0	-16.7%
SFY 2004	22.3	-3.0%

Rate of Substantiated Reports of Harm per 1,000 Children in the Population
by State Fiscal Year Received & Percent Change from Prior Year
(8-2-04 data extract; population at beginning of year from AKDOL bridge series)

Notes:

The number of reports of harm received peaked in 2001. The subsequent decline in reports received may be partly due to a decline in the actual number of calls and partly due to efforts by OCS to improve consistency in defining and recording reports. Numerous factors outside the Agency's control influence the number of calls received, including media reports, changes in economic or social conditions, and changes in law.

Target #2: Reduce % of recurrence of maltreatment to 22% or less by December, 2004

Measure #2: Of all children for whom a substantiated or indicated report of child abuse and/or neglect was received during the first six months of the period under review, for what percentage was another substantiated or indicated report received within 6 months?

Analysis of results and challenges: Repeat Maltreatment by Federal Fiscal Year
(from CFSR/PIP reporting)

Repeat Maltreatment by Federal Fiscal Year		
(from CFSR/PIP reporting)		
Federal FY	Ak Rate	National Standard
FFY 2000	23.6%	
FFY 2001	25.4 %	6.1%
FFY 2002	22.6 %	6.1%
FFY 2003	17.6 %	6.1%
Jan-Dec 2003	17.1%	6.1%
Apr-Mar 2004	17.3%	6.1%
<i>Recurrence is counted if a 2nd report is received within 6 months of the first report.</i>		
<i>National Standard = 6.1% or fewer.</i>		
<i>Data Indicator Baseline: 23.4% of reports received in Calendar year 2001 had a recurrence. Program Improvement Plan Target: By December 2004 22% or less will have a reoccurrence.</i>		

OCS has exceeded its target of 22% or less by December 2004 and continues to realize reduction in maltreatment recurrence.

Target #3: Increase the rate of children reunified with their parents or caretakers to 63.3% by March 2005.

Measure #3: # of children who were reunified with their parents or caretakers at the time of discharge from foster care, in less than twelve months from the time of the latest removal from home.

Analysis of results and challenges: Length of time to achieve reunification:

Of all children who were reunified with their parents or caretakers at the time of discharge from foster care, what percent were reunified in less than twelve months from the time of the latest removal from home?

The national standard is 76.2%.

Our FFY 2000 baseline was 58.3%. Our PIP goal is 63.3% by March 2005. July 2003 - June 2004 rate is 54.1%, or 266 of the 492 reunified were reunified in 12 months.

OCS is taking the following steps to address reunification issues;

- Reviewing and revising administrative case review policies and procedures to ensure that reunification efforts are being made and to ensure that reunification assessments are being completed;
- Restructuring requirements for private providers that provide Family Preservation and Time-Limited Family Reunification services;
- Request for Proposal (RFP) sent out fall of 2004 will more clearly delineate expectations regarding the type of services OCS will require to help families meet their case plan goals towards reunification; and
- Conduct an analysis on a regional basis as to the available service array and whether the available services meet the needs of families. This data will be used as a baseline for the development of new services.

	<u>Rate</u>	<u>Number Reunified in 12 Months</u>	<u>Total Reunified</u>
FFY 2001	62.4 %	401	643
FFY 2002	53.3 %	283	531
FFY 2003	59.3 %	314	530
Jan.- Dec. 2003	55.6 %	259	466
Apr. 2003 - Mar. 2004	54.7 %	268	490

C1: Strategy - Reduce caseloads of frontline workers.

D: Result - Outcome Statement #4: To provide quality management of health care coverage services to providers and clients.

Target #1: Decrease average response time from receiving a claim to paying a claim.

Measure #1: Average number of days per annum from receipt of claims to payment of claims.

Operation Performance Summary - Annual Average Days/Entry Date to Claims Pay Date

	FY00	FY01	FY02	FY03	FY04
Total Claims Processed (fiscal year)	3,720,254	4,409,121	4,959,864	5,615,072	6,690,344
Average Days - Entry Date to Pay	10.15	12.14	12.43	10.27	10.12

Note: Between FY00 and FY03 reports were based on six months of data. The FY04 report is based on annual data.

Analysis of results and challenges: The average response time improved in FY 2004 to 10.12 days, the best response time since tracking began in FY 2000. Since the peak in FY 2002, the average elapsed time has decreased 2.3 days, an 18.5% improvement.

Target #2: Increase average number of claims submitted without error to promote timely and accurate payment.

Measure #2: Average number of claims paid with no errors.

Analysis of results and challenges: The percent of claims paid without error has improved steadily since tracking began in FY 2000. Overall, the error-free percentage has increased

nearly five points, from 71.75% in FY 2000 to 76.33% in FY 2004. The areas with the greatest improvement since FY 2000 are Hospitals, HCBC, and Mental Health, whose error-free rates improved 17%, 10%, and 9%, respectively. Areas whose error-free rates in FY 2004 are not better than in FY 2001 (FY 2000 data not available) include Psychiatric, Clinics, and Vision, down 22%, 17%, and 14%, respectively. Five areas have error-free rates above 75%: Transportation, BRS, HCBC, Pharmacy, and Mental Health. Only two areas, Psychiatric and Clinics, have error-free rates below 50%.

Error Distribution Analysis - Percent Claims Paid with No Errors by Primary Providers

	FY00	FY01	FY02	FY03	FY04
Total Claims Paid (fiscal year)	3,076,978	3,670,331	4,202,677	4,776,730	5,106,692
Percent Paid with No Errors	71.75%	72.64%	74.43%	73.46%	76.33%
Hospitals	54.17%	57.45%	60.29%	64.71%	63.55%
Physicians	70.11%	69.01%	67.40%	65.39%	63.94%
Dentists	73.53%	72.96%	73.24%	74.35%	74.28%
Nursing Home Facilities	64.53%	69.75%	65.28%	61.80%	61.68%
Pharmacy	79.83%	80.23%	83.34%	80.13%	77.45%
Mental Health	N/A	70.28%	72.67%	75.55%	76.94%
Transportation	N/A	88.84%	87.89%	86.12%	86.36%
HCBC	N/A	73.27%	76.94%	78.16%	80.65%
Vision	N/A	82.09%	79.73%	76.67%	68.57%
Psych	N/A	68.67%	70.85%	42.36%	46.57%
Clinics	N/A	64.78%	96.25%	57.92%	48.26%
BRS	N/A	87.16%	91.15%	86.32%	84.25%
Chiropractic	N/A	60.68%	60.09%	48.76%	51.30%

Note: Between FY00 and FY03 reports were based on six months of data. The FY04 report is based on annual data.

Target #3: Reduce the rate of Medicaid payment errors

Measure #3: Improper payment estimates as provided to Center for Medicare and Medicaid Services

Analysis of results and challenges: CMS has proposed changes to 42 CFR Part 402 related to Payment Error Rate Measurement (PERM). This will apply to Medicaid and SCHIP.

The department has been awarded a one-time federal grant to begin a pilot project to begin sampling for this reporting.

D1: Strategy - Continue to develop new Medicaid Management Information System (MMIS).

E: Result - Outcome Statement #5: Improve juvenile offenders' success in the community following completion of services resulting in higher levels of accountability and public safety.

Target #1: Reduce percentage of juveniles who re-offend within a 24-month period from release of a secure juvenile institution to 25% of the total.

Measure #1: Percentage change in re-offense rate within a 24-month period.

Analysis of results and challenges: The number of youths released from institutions that re-offended actually decreased between FY 03 and FY 04, but because fewer juveniles had been released from institutions in FY 04 than in FY 03 the re-offense rate is increased. The small numbers of youth who are released each year from Alaska's four treatment facilities make it difficult to determine whether

increases or decreases in offense rates represent genuine trends. Nevertheless, the Division will continue to review institutional treatment components and research-based practices as it seeks to improve its outcomes for youth leaving institutions.

Year of Release from Institution	FY 99	FY 00	FY 01	FY 02
Year for which 24 months of recidivism data is available	FY 01	FY 02	FY 03	FY 04
Number of Offenders Released	133	124	140	106
Number who re-offended	61	61	66	62
Re-Offense Rate within 24 months	46%	49%	47%	58%

This data suggests that the percentage of juveniles who re-offended in the 24-month period following closure of their formal probation episode has remained constant. The Division intends to evaluate this measure in the year to come to determine whether limiting the term “re-offense” to those offenses resulting in a formal adjudication (as is done with the institutional population performance measure) provides a more accurate picture of re-offense activities than when all referrals to the Division are included in the analysis.

Target #2: Reduce % of juveniles who re-offend within a 24-month period from completion of formal court ordered probation supervision to 25% of the total.

Measure #2: Percentage change in re-offense rate within a 24-month period.

Re-Offense rates¹ for youths released from formal probation over the past several years are as follows:

Year of Juveniles' Release from Formal Probation	FY 98	FY 99	FY 00	FY 01	FY 02
Year for which 24 months of recidivism data is available	FY 00	FY 01	FY 02	FY 03	FY 04
Number of Offenders	484	521	453	431	498
Number who re-offended within 24 months	114	126	100	95	109
Re-Offense Rate for All Youth	24%	24%	22%	22%	22%

Analysis of results and challenges: This data suggests that the percentage of juveniles who re-offended in the 24-month period following closure of their formal probation episode has remained constant. The Division intends to evaluate this measure in the year to come to determine whether limiting the term "re-offense" to those offenses resulting in a formal adjudication (as is done with the institutional population performance measures) provides a

¹ Re-offenses for juveniles released from formal probation are determined by checking for entries in the Division's Juvenile Offender Management Information System. This table reports the number of youth for whom court-ordered probation episodes closed during the fiscal year and **defines re-offense as:** subsequent referral to DJJ for a law violation by a juvenile after the probation case was closed. Excludes non-criminal referrals such as traffic offenses, Fish and Game violations, violations of Minor in Possession/Consuming and Driving While Intoxicated. This analysis also excludes referrals that were dismissed or screened and released, and also excludes law violations committed after juveniles turned 18 years old and by those who have moved out of Alaska.

more accurate picture of re-offense activities than when all referrals to the Division are included in the analysis.

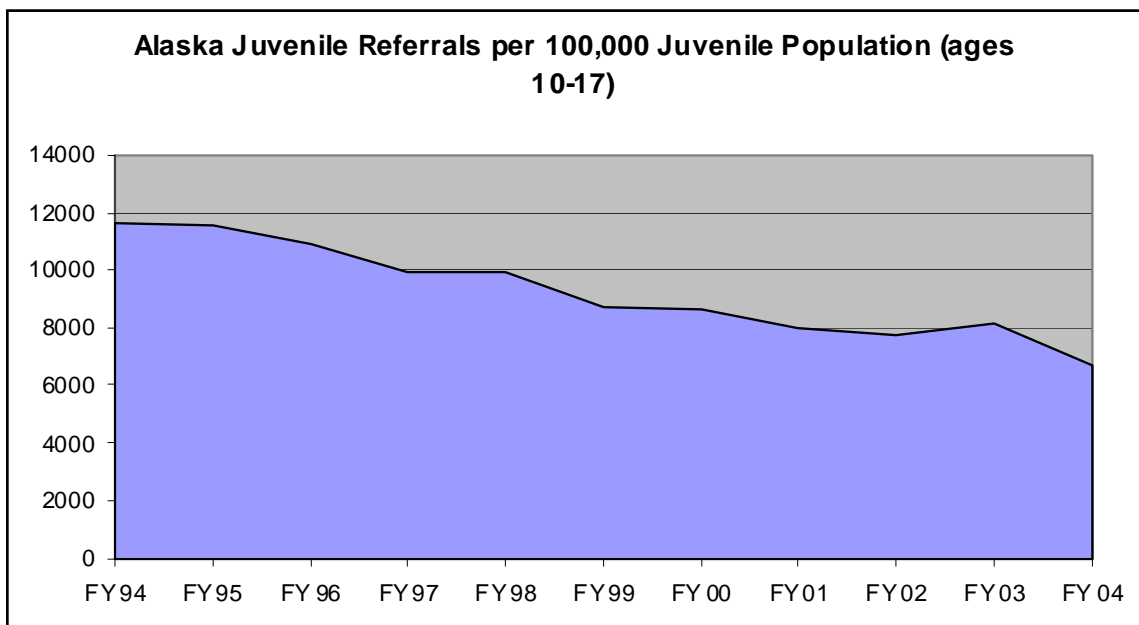
1/ Re-offense for juveniles released from formal probation are determined by checking for entries in the Division's Juvenile Offender Management Information System. This table reports the number of youth for whom court-ordered probation episodes closed during the fiscal year and defines re-offense as: subsequent referral to DJJ for a law violation by a juvenile after the probation case was closed. Excludes non-criminal referrals such as traffic offenses, Fish and Game violations, violations of Minor in Possession/Consuming and Driving While Intoxicated. This analysis also excludes referrals that were dismissed or screened and released, and also excludes law violations committed after juveniles turned 18 years old and by those who have moved out of Alaska.

Target #3: Reduce Alaska Juvenile Crime Rate by 5% over a two-year period.

Measure #3: % change of Alaska juvenile crime rate compared to the rate one and two years earlier.

Analysis of results and challenges: This target is a system-wide indicator.

Both the number of referrals and the percentage of referrals per 100,000 juvenile populations decreased significantly in FY04 compared with the years before. A decrease in referrals has been a consistent trend for several years except for a brief increase in FY03. The reasons for this decrease are unknown, possibly due to economic conditions, changes in prevention and intervention techniques, changes in law enforcement practices or resources, or a combination of some or all of these.



FY	Referrals	Juvenile Population	Referrals per 100,000 juvenile
FY 94	8877	76315	11632
FY 95	9102	78733	11561
FY 96	8811	80653	10925
FY 97	8183	82044	9974
FY 98	8381	84021	9975
FY 99	7484	85477	8756
FY 00	7497	86958	8621
FY 01	7056	88607	7963
FY 02	6932	89966	7705
FY 03	7471	91651	8152
FY 04	6226	92699	6716

E1: Strategy - Enhance community prevention programs and implement new assessment tools.

F: Result - Outcome Statement #6: Low income families and individuals become economically self-sufficient.

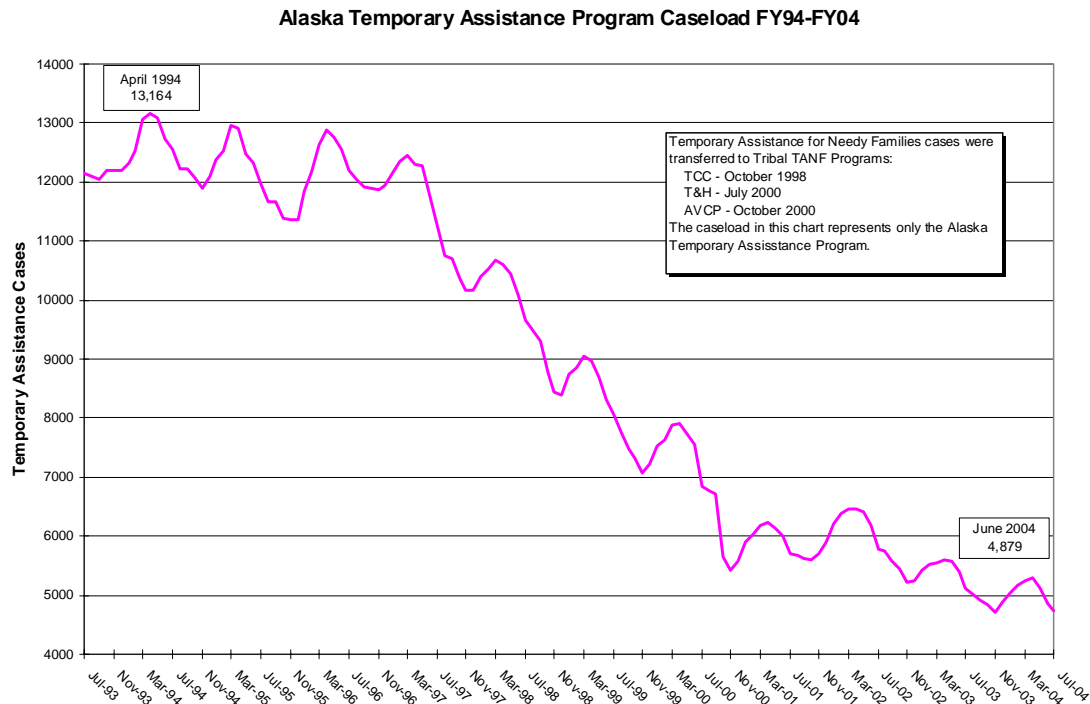
Target #1: Increase self-sufficient individuals and families by 10%.

Measure #1: Rate of change in self-sufficient families.

Changes in Self Sufficiency

Year	September	December	March	June	YTD Total
2002	-16%	6%	4%	3%	-2%
2003	-1%	-11%	-14%	-13%	-9%
2004	-12%	-7%	-6%	-9%	-9%
2005	-6.1%	0%	0%	0%	-7.2%

This represents a leading indicator of welfare reform.



Analysis of results and challenges: The goal is for clients to move off of Temporary Assistance with more income than they received while on the program, and for those clients to stay employed with sufficient earnings to stay off the program.

As the caseload declines, those adults with more significant barriers to employment make up a higher percentage of the caseload. Therefore, with a declining caseload, it becomes more difficult to achieve higher percentages of families becoming self-sufficient.

The rate of change is calculated for the number of families receiving Alaska Temporary Assistance Program benefits compared to the same time period in the previous state fiscal year. Thus September of SFY2003 had a 1% decline in the Alaska Temporary Assistance Program caseload compared to September of SFY2002. The YTD column compares the average annual caseload to the prior year average annual caseload.

F1: Strategy - Use TANF high performance bonus funds for families approaching 60-month time limit.

G: Result - Outcome Statement #7: Healthy people in healthy communities

Target #1: 80% of all 2 year olds are fully immunized

Measure #1: % of all Alaskan 2 year olds fully immunized

**Estimated 4/3/1/3* Vaccination Coverage
Among Children 19-35 Months of Age, Alaska and U.S.**

Survey Year	Alaska			U.S. % 4/3/1/3
	% 4/3/1/3	% Difference from Prior Year's Survey	Rank among the 50 States	
1996	71.5	n/a	48	76.4
1997	75.2	+3.7	32	76.2
1998	81.3	+6.1	22	79.2
1999	80.1	-1.2	28	78.4
2000	77.0	-3.1	26	76.2
2001	74.1	-2.9	38	77.2
2002	78.3	+4.2	27	77.5
2003	81.4	+3.1	30	81.3

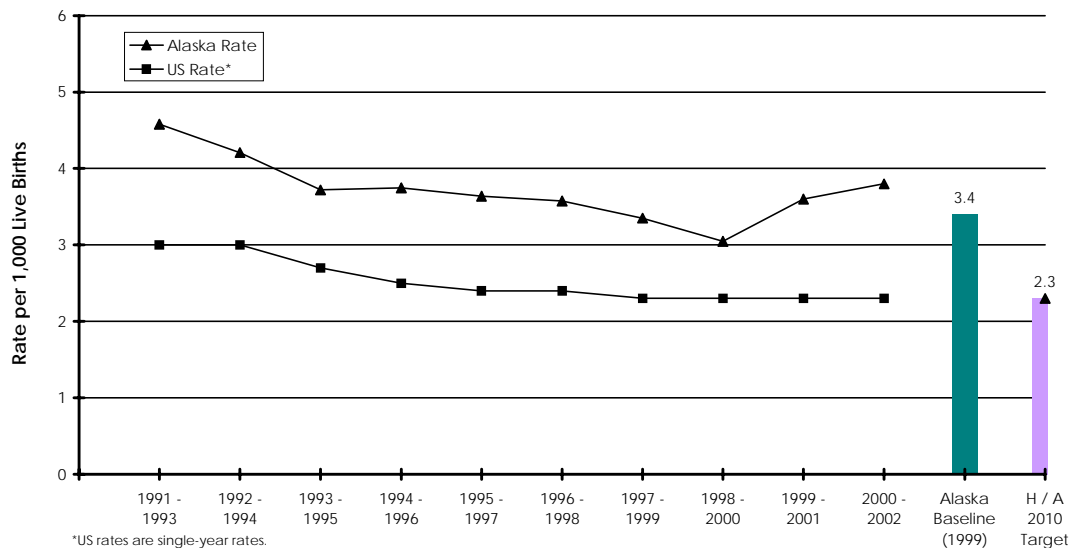
* 4/3/1/3 = 4 DTaP/ 3 polio/ 1 MMR/ 3 Hib

Analysis of results and challenges: In 2003, 81.4% of Alaska two year olds had completed their basic vaccine series, a percentage that slightly exceeded the national average of 81.3% and met Alaska's goal of assuring at least 80% of our children were fully immunized.

Target #2: Reduce post-neonatal death rate to 2.3 per 1,000 live births by 2010

Measure #2: Three year average post-neonatal mortality rate
(Post-neonatal is defined as 28 days to 1 year)

**Post-neonatal mortality rate by three-year moving average,
Alaska 1991-2002**



Analysis of results and challenges: Post-neonatal mortality is more often caused by environmental conditions than problems with pregnancy and childbirth. Nationally, the leading causes of death during the post-neonatal period (28 through 364 days) are: Sudden Infant Death Syndrome (SIDS), birth defects, injuries, pneumonia/influenza, and homicide. Alaska's post-neonatal death rate is high relative to other states.

- Alaska's post-neonatal mortality rate for 1998 - 2000 of 3.0 per 1,000 live births was nearly 35% higher than the national rate in 2000 and twice as high as the Healthy People 2010 target.
- Post-neonatal mortality in Alaska has declined significantly over the last decade, from 5.3 per 1,000 live births in 1989 - 1991 to 3.0 per 1,000 live births in 1998 - 2000, a decline of 43%.
- Over the last decade, babies born to Alaska Native mothers were 2.5 times more likely to die during the post-neonatal period than those born to white mothers.

Target #3: Decrease risk of diabetes in Alaskans**Measure #3:** Prevalence of Diabetes among Adults (18+) in Alaska based upon three-year averages**ESTIMATED ANNUAL PREVALENCE OF DIABETES AMONG ADULTS (18+)
IN ALASKA BASED UPON THREE-YEAR AVERAGES**

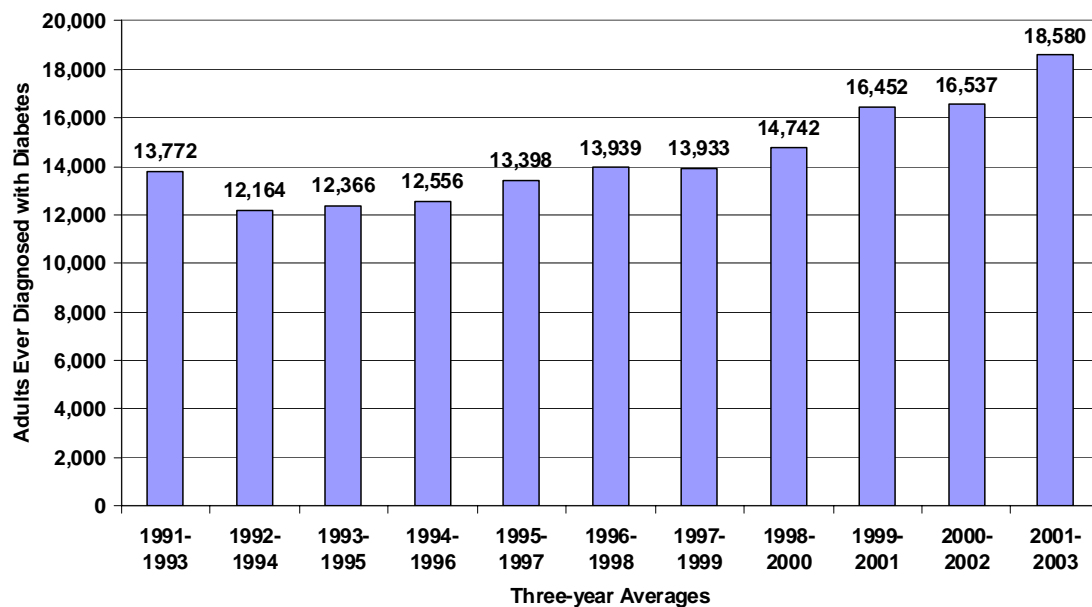
YEAR	DIAGNOSED*	ESTIMATED UNDIAGNOSED**	ESTIMATED TOTAL
1991-1993	13,772	5,602	19,374
1992-1994	12,164	4,948	17,112
1993-1995	12,366	5,030	17,396
1994-1996	12,556	5,108	17,664
1995-1997	13,398	5,450	18,849
1996-1998	13,939	5,670	19,609
1997-1999	13,933	5,668	19,601
1998-2000	14,742	5,997	20,738
1999-2001	16,452	6,692	23,144
2000-2002	16,537	6,727	23,263
2001-2003	18,580	7,558	26,137

* Reported diabetes by health care professional.

** Approximately 29% of all diabetes cases are undiagnosed based upon NHANES 1999-2000 compared to NHANES III 1988-1994.

BRFSS - Behavioral Risk Factor Surveillance System

**Adults (18+) Ever Diagnosed with Diabetes,
Three-Year Averages, Alaska BRFSS, 1991-2003**



Analysis of results and challenges: * Reported diabetes by health care professional.

Source: BRFSS - Behavioral Risk Factor Surveillance System

Diabetes is a chronic disease that usually manifests itself as one of two distinct categories. Type 2 diabetes usually occurs in adults over age 30 and develops as a result of the body's inability to use its own limited amount of insulin effectively. Type 2 diabetes accounts for 90 percent to 95 percent of all diagnosed cases. Risk factors for Type 2 diabetes include older age (40-plus years), obesity, family history of diabetes, prior history of gestational diabetes, impaired glucose tolerance, physical inactivity, and race/ethnicity.

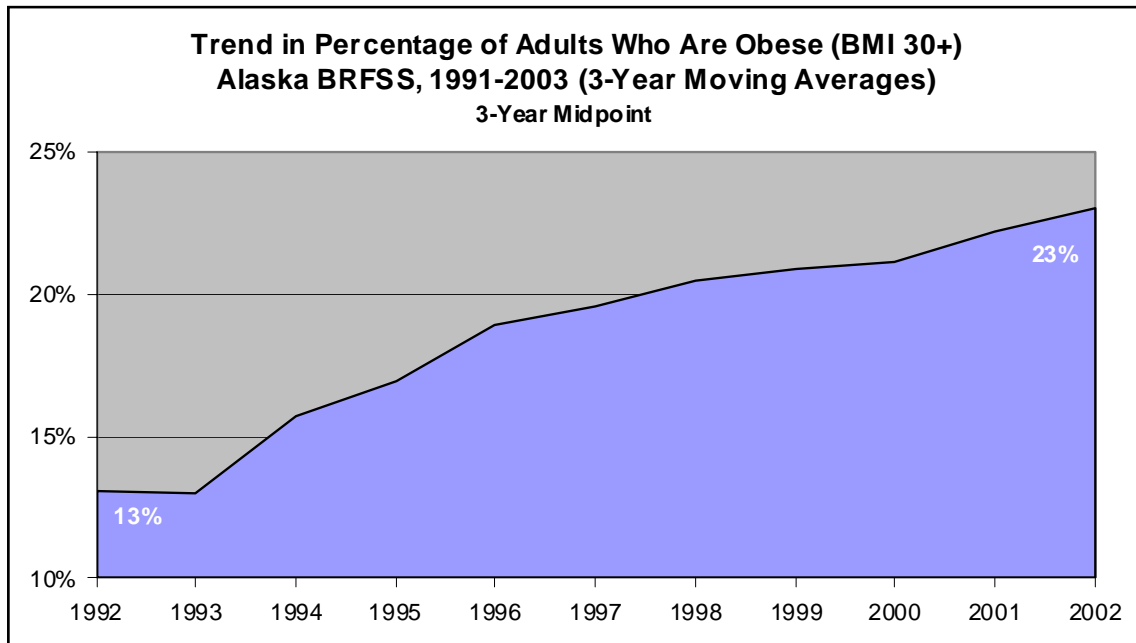
Diabetes is the leading cause of blindness and end-stage renal disease in adults. Diabetes increases the risk of heart disease, stroke, and many infectious diseases. Nerve damage from diabetes is the leading cause of lower extremity amputations. Type 2 diabetes is more common in women than men. Incidence increases with age, and the prevalence of diabetes in the United States is expected to increase as the population ages and diabetics live longer.

Target #4: Decrease Alaska's adult obesity rate to less than 18%

Measure #4: Obesity rate of Alaskans

Analysis of results and challenges: The trends in Alaska show growing numbers of overweight and obese adults.

- From 1991-1993 to 2001-2003, the prevalence of overweight and obese adults in Alaska rose from a combined 49% to 62%.
- Latest three-year averages from BRFSS: For 2001-2003, 39% of Alaskans met the criteria for being overweight and 23% met the criteria for obesity, well above the Healthy Alaskans 2010 targets of 30% for overweight and 18% for obesity.



Overweight is defined as Body Mass Index (BMI) of 25 or greater, up to 29.9. Obese is defined as BMI of 30 or greater. BMI is determined by dividing weight in kilograms by height in meters.

Premature death and disability, increased health care costs, and lost productivity are all associated with overweight and obesity. Unhealthy dietary habits combined with sedentary behavior are primary factors in increasing body fat levels. Overweight and obesity are estimated to be responsible for approximately 300,000 deaths per year in the United States.

National studies show an association of overweight and obesity with certain types of cancers (endometrial, colon, post menopausal breast, and prostate), as well as heart disease, stroke, diabetes and arthritis. Overweight and obesity are directly associated with at least four of the top ten leading causes of death. Mortality due to unintentional injury, suicide, chronic obstructive pulmonary disease (COPD), pneumonia, and liver disease may also be influenced by obesity to some extent.

G1: Strategy - Strengthen public health in strategic areas.

H: Result - Outcome Statement #8: Senior and physically and/or developmentally disabled Alaskans live as independently as long as possible.

Target #1: Reduce number of Nursing Home beds per 1000 senior citizens to below 16.0.

Measure #1: Number of Nursing Home beds per 1000 senior citizens. Maximize the use of home and community based programs for senior citizens as an alternative to Nursing Home care.

	FY 01	FY 02	FY 03	FY04
65+ Population	37,843	39,358	41,326	43,392
No. of Nursing Home beds	744	744	744	721
AK NH Beds per 1000	19.7	18.9	18.0	16.6
National NH Beds/1000	53.1	53.1	53.1	53.1
No. of Seniors on Waivers	1128	1108	1135	1249

Analysis of results and challenges: Controlling the number of residents in nursing homes is essential for reaching a balanced long-term care system. The more Medicaid nursing home residents a state must care for, the less money will be available for home and community based care programs.

H1: Strategy - Promote independent living and provide preadmission screening to nursing homes.

I: Result - Outcome Statement #9: The efficient and effective delivery of administrative services.

Target #1: Increase by 5% the percentage of customers that report FMS is meeting their needs.

Measure #1: Percentage of customer service survey respondents that report FMS is meeting their needs.

Analysis of results and challenges: Results of a DHSS customer survey on Financial and Management Services are:

2003 - Results show that 78.8% of the 194 that responded considered FMS (previously DAS) overall service performance to be average (5) or higher; and 59% of that ranked (6) above average or higher, on a scale of 1-10.

2004 - Results show that 78.2% of the 244 that responded considered FMS overall service performance to be average (5) or higher; and 64.7% of that ranked (6) above average or higher, on a scale of 1-10.

Target #2: Reduce the response time for complaints from X to X days

Measure #2: Department Complaint log response times.

Analysis of results and challenges: The department is currently developing a complaint response log that will be monitored by the Commissioner's Office.

Target #3: Increase the DHSS management index by X %.

Measure #3: Index timeliness and accuracy for: travel; capital projects; processing time for payments, contracts, purchases and grant requests; federal reporting; legislative inquiries, and information technology.

Analysis of results and challenges: The department will develop an index for calculating this measure.

I1: Strategy - Implement results of Business Process Review.

Alaska Pioneer Homes Results Delivery Unit

Performance Measure Detail

A: Result - Outcome statement - Provide a safe assisted living environment for eligible Alaskan Pioneers.

Target #1: Employ adverse event analysis plan.

Measure #1: Reduction in adverse events.

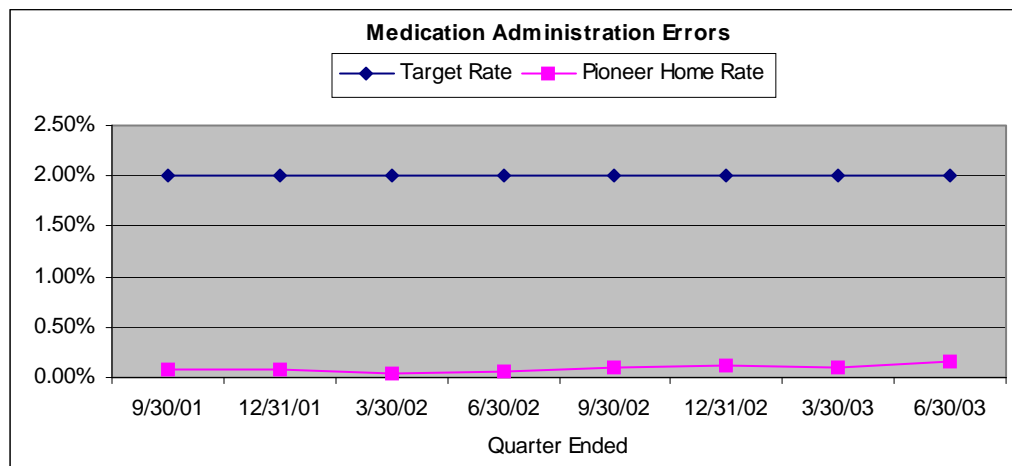
Analysis of results and challenges: New "patient safety science" directs adverse event investigations to be considered within the framework of a process called root-cause analysis (RCA). When conducted properly, RCA leads the investigative team to processes that failed, rather than an individual to blame. Through root cause analysis efforts, the number of events in the Pioneer Homes will continue to remain far below the national standard. For more detail, refer to the secondary tables and analyses for specific measures in the Strategies to Achieve Results section.

A1: Strategy - 1) Improve accuracy of medication administration system.

Target #1: Less than 2% medication error rate.

Measure #1: Percent of administration errors.

Medication Error Rate



Analysis of results and challenges: All care processes are vulnerable to error, yet several studies have found that medication-related events are the most frequent type of adverse event. Medication administration errors have been the traditional focus of incident reporting programs because they are often the types of event that identifies a failure in other processes in the system. A wrong medication may be administered because it was prescribed, transcribed, or dispensed incorrectly. The Division will use a system wide risk reporting program that tracks medication errors, and allows the collected data to be reported and trended for use in

identifying error prone steps (risks). Trending the cause of the error tends to provide the most useful information in designing strategies for future error prevention.

The Center for Medicare and Medicaid Services (CMS), which oversees and surveys nursing facilities throughout the United States, considers a 5% medication error rate as acceptable.

Medication Error Rate by Facility - FY20

1st Quarter

Sitka	0.06%
Fairbanks	0.23%
Palmer	0.09%
Anchorage	0.03%
Ketchikan	0.00%
Juneau	0.05%
Average	0.08%

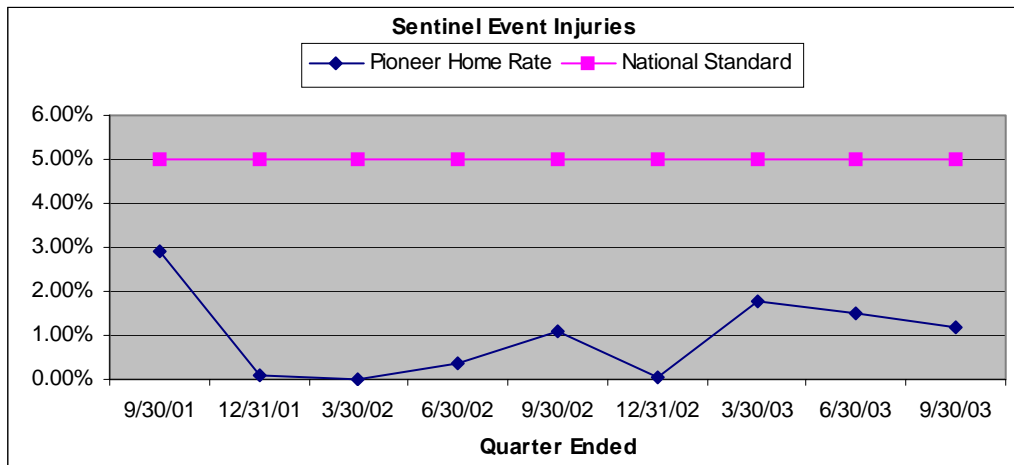
The Pioneers' Home system collects medication information at the individual Pioneer Home level and aggregates the numbers for reporting at the Division level. From FY2002 through FY2004, the actual number of "med passes" in the Pioneer Homes has been between 344,664 to 395,846 individual medications per three month quarter. Both the "med passes" and the occupancy rate of the Homes have remained stable over this period of time.

A2: Strategy - 2) Reduce number of sentinel event occurrences in the Pioneers Homes.

Target #1: Injury rate lower than national standards.

Measure #1: Pioneers Home sentinel event injury rate.

Sentinel Event injury rate



Analysis of results and challenges: Despite remarkable advances in almost every field of medicine, an age-old problem continues to haunt health care professionals-the occurrence of errors. When such errors lead to sentinel events-serious and undesirable occurrences- the problem is even more disturbing. The event is called "sentinel" because it sends a signal or warning that requires immediate attention. The National Safety Council lists falls in older

adults as five times more likely to lead to hospitalization than other injuries. 10-20% of the time such incidents result in a serious injury, and 2-6% result in a bone fracture. The Division will respond to sentinel events with root cause analysis investigations and continue to improve data quality in the reporting system.

The Pioneers' Home system collects sentinel event information at the individual Pioneer Home level and aggregates the numbers for reporting at the Division level.

Fall Rate FY 2005

1st Quarter

Sitka	5.30%
Fairbanks	0.00%
Palmer	0.00%
Anchorage	1.50%
Ketchikan	0.00%
Juneau	8.00%
Average	2.50%

Behavioral Health Results Delivery Unit

Performance Measure Detail

A: Result - Outcome #1: Improve and enhance the quality of life for Alaskans with a serious emotional disturbance (SED), a serious mental illness (SMI) and/or a substance abuse disorder.

Target #1: 75% of individuals will report improvement in one or more of the following life domains: productive activity/employment, housing situation, health status, economic security, education attained.

Measure #1: Outcomes data as reported through the use of the Client Status Review Form as part of the Federal Government Performance and Results Act.

Analysis of results and challenges: No data is available, this measure is still under development. The Client Status Review (CSR), as of July 1, 2004, has been built into practice standards as a requirements for all behavioral health providers. As agencies are brought online with the Alaska Automated Information Management System (AKAIMS), the CSR will be entered as a routine data practice. NOTE: The implementation of AKAIMS is occurring at a slower rate than anticipated, however, data extraction is expected to begin no later than March, 2005.

A1: Strategy - Strategy #1A: Improve and enhance the quality of life of children with a SED by implementing the Bring the Kids Home Program.

Target #1: Reduce the number of kids in out-of-state placement by 25% annually over the next four years.

Measure #1: Percent of children reported in out-of-state care from Medicaid MMIS.

Analysis of results and challenges: This new measure is proposed for FY05, with data collection to begin in the first quarter. The DBH Policy & Planning section has successfully worked in aligning planning processes with the Alaska Mental Health Trust Authority (AMHTA) and planning boards, creating a master planning document, and supported multiple workgroups that address capacity building for the Alaska system of care. These work groups are on the DBH website for public review and comment.

As of fall 2004, there are approximately 445 children in out-of-state inpatient psychiatric care.

A2: Strategy - Strategy #1B: Improve and enhance the quality of life of Alaskans with a SED, SMI and/or a substance abuse disorder by implementing the DH&SS Tribal Agenda.

Target #1: Increase the number of Tribal entities providing behavioral health services to Alaska Natives by 10% annually for each of the next four years.

Measure #1: number of Tribal entities providing behavioral health services directly or contracting with non-Tribal providers for those services

Analysis of results and challenges: This new measure is proposed for FY05, with data collection to begin in the first quarter. These tribal entities have a varied history in providing behavioral health services. However, they are identified as having substantially increased levels of service delivery, and contact and consultation with DBH during FY04. Particular efforts continue in pursuing formal relationships between Tribal and non-Tribal providers. These efforts are challenging with significant legal hurdles that slow potential collaborations. Currently there are 4 Tribal entities providing behavioral health services to Alaska Natives, they are: Kenaitze Indian Tribe of Kenai; Kodiak Area Native Association; Ketchikan Indian Corporation; and, the Council of Athabascan Tribal Governments or CATG of Fort Yukon.

A3: Strategy - Strategy #1C: Improve and enhance the quality of life of Alaskans with a SED, SMI and/or a substance abuse disorder through the development of a comprehensive, integrated Behavioral Health Service System.

Target #1: A fully integrated Behavioral Health Service system will occur over the next four years as evidenced by a 25% improvement in service outcomes.

Measure #1: Outcome data will be collected from the Alaska Automated Information Management System (AKAIMS) and Client Status Review Forms.

Analysis of results and challenges: The Alaska Automated Information Management System (AKAIMS) continues to be implemented, however, at a slower rate than initially projected. Currently 23 agencies are in various stages of implementation, while DBH is currently on an accelerated training schedule for the remaining agencies. The Client Status Review (CSR), as of July 1, 2004, has been built into practice standards as a requirement for all behavioral health providers. As agencies are brought online with AKAIMS, the CSR will be entered as a routine data practice.

Target #2: A fully integrated Behavioral Health Service system will occur over the next four years as evidenced by a 25% increase in consumer satisfaction with services.

Measure #2: Outcome data on consumer satisfaction will be collected from the AK Automated Information Management System (AKAIMS) as part of the Mental Health Statistics Improvement Program.

Analysis of results and challenges: The Alaska Automated Information Management System (AKAIMS) continues to be implemented, however, at a slower rate than initially planned. Currently 23 agencies are in various stages of implementation, while DBH is currently on an accelerated training schedule for the remaining agencies. The Mental Health Statistics Improvement Program (MHSIP), as of July 1, 2004, has been built into practice standards as a requirement for all behavioral health providers. As agencies are brought online with AKAIMS, the MHSIP will be entered as a routine data practice.

Performance Measure Detail

A: Result - Outcome Statement - Children who come to the attention of OCS are, first and foremost, protected from abuse or neglect.

Target #1: Improve the ability of at-risk families to care for their children.

Measure #1: Decrease the rate of repeat maltreatment.

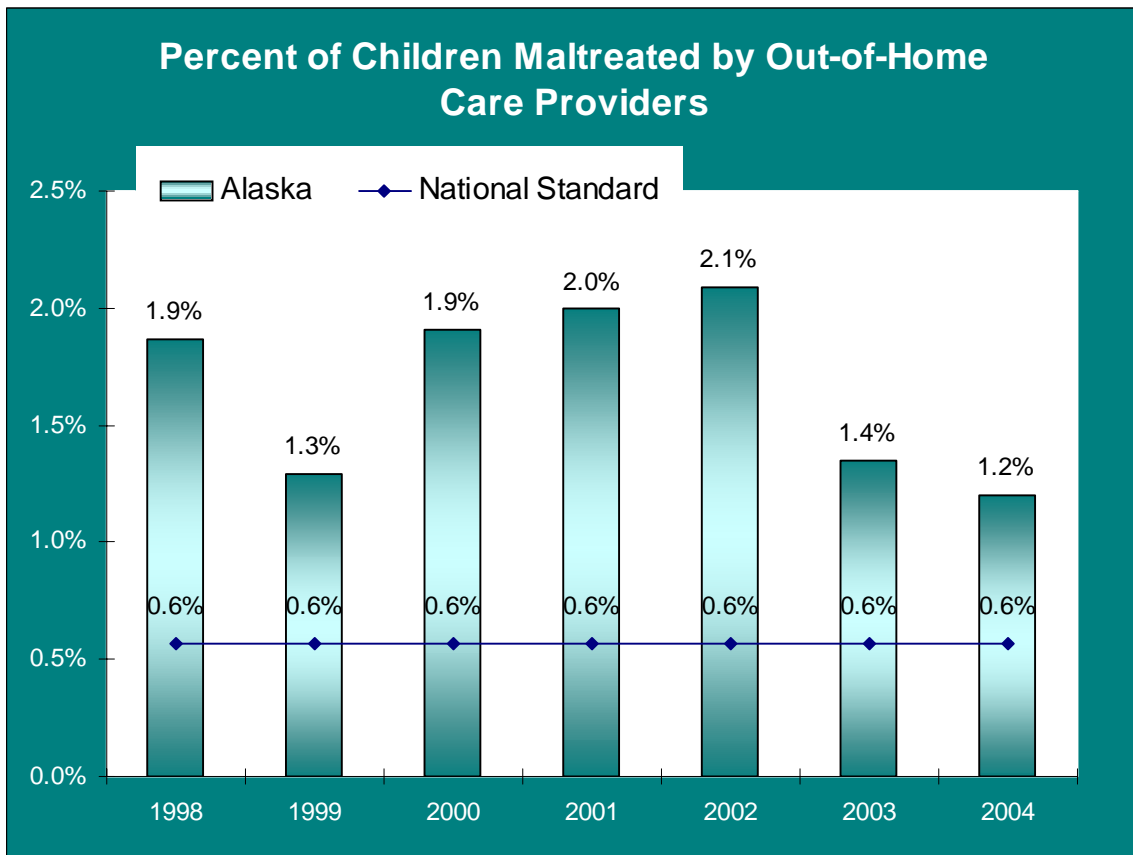
Analysis of results and challenges: In September 2003, OCS began operating under a program improvement plan (PIP) developed in response to findings of the federal Child and Family Services Review. A major focus of the PIP is to improve the safety of children including reducing repeat child abuse and neglect. Goals include reducing the recurrence of maltreatment, reducing the incidence of maltreatment by out-of-home care providers, establishing sufficient staffing levels to meet national caseload standards, and increasing services to families. For more detail, refer to the tables and analyses for specific measures in the Strategies to Achieve End Results section.

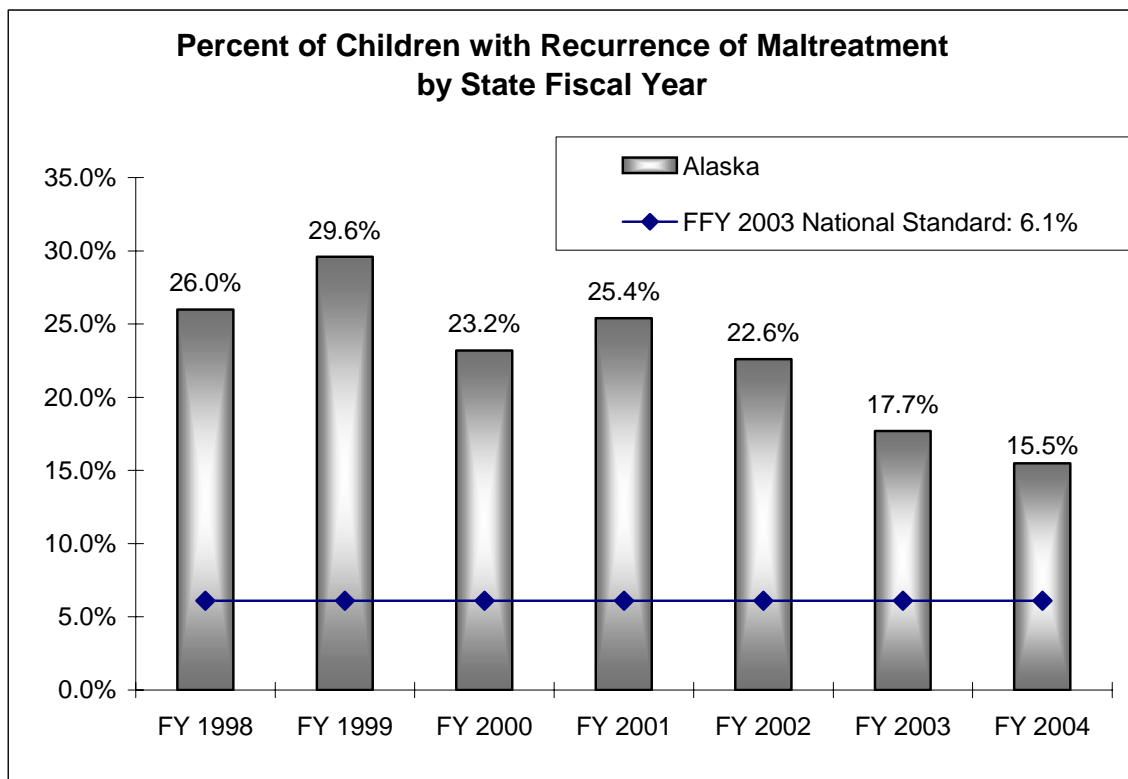
A1: Strategy - Reduce the percentage of children placed outside the home who are the subject of maltreatment by a provider.

Target #1: The target for this measure is no more than 1.77% by December 2004.

Measure #1: Of all children placed outside the home during federally defined periods, what percentage were victims of substantiated or unconfirmed maltreatment by the out-of-home care provider.

Percentage of Children Maltreated by an Out-of-home Care Provider , January-September *





Analysis of results and challenges: Alaska has a high rate of maltreatment by out-of-home care providers. In September 2003, OCS began operating under a program improvement plan (PIP) developed in response to findings of the federal Child and Family Services Review. One goal of the PIP is to reduce maltreatment by out-of-home care providers. The agency is developing standards for unlicensed relative caregivers and working to improve foster parent screening and training. OCS is also working to improve consistency in classifying these incidents and improve data quality.

For this measure, OCS exceeded its target of no more than 1.77% by December 2004 with a rate of 1.35% for calendar year 2003. The rate has been further reduced, as of June 2004, to 1.20%. The national standard is 0.57%. OCS continues efforts to reduce the maltreatment of children by out-of-home care providers.

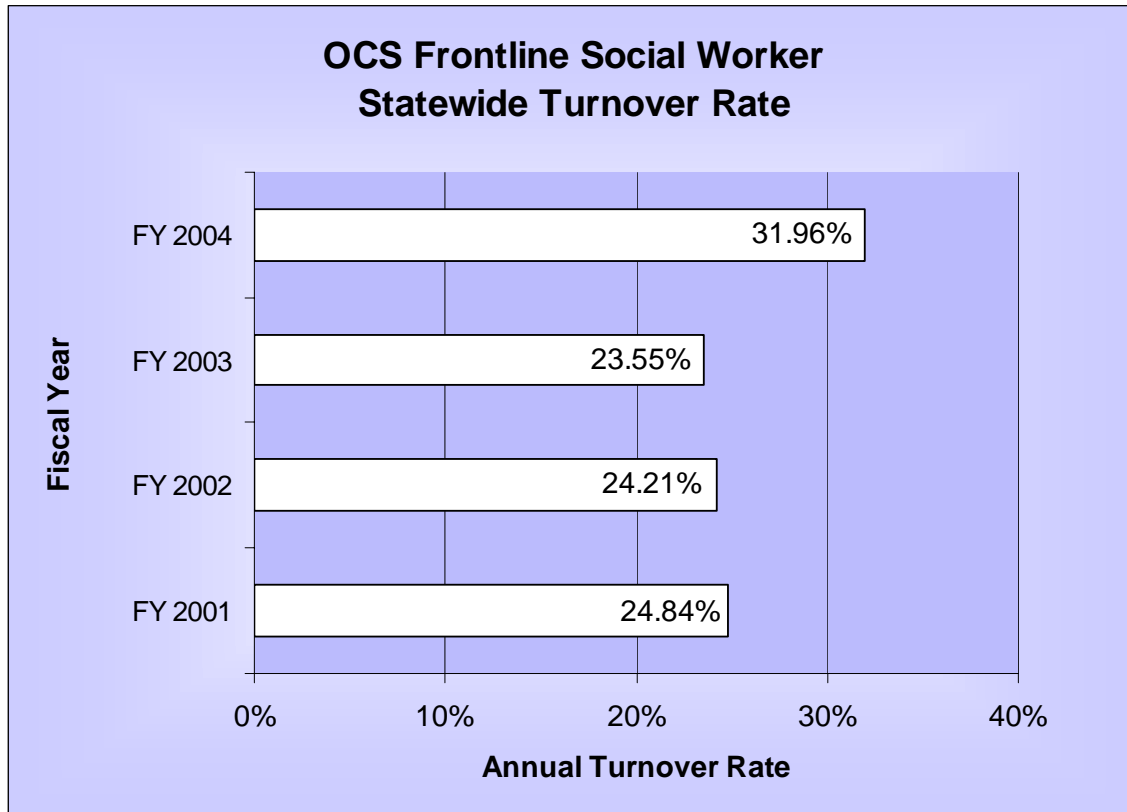
* Note that to conform to federal standards, the percent for this measure is calculated based on data for the nine-month period, January-September. To calculate the percent, the number of children placed in out-of-home care who are maltreated by a provider during the period is divided by the total number of children in out-of-home care during the period. As 2004 data for the period from January-September 2004 is not yet compiled, the most recent statistics available for the nine month period of October 2003 - June 2004 are provided above.

A2: Strategy - Retain an effective and efficient workforce.

Target #1: Reduce the turnover rate to 15 percent by December 2005.

Measure #1: Annual employee turnover rate.

Front Line Social Workers Statewide Turnover Rate by State Fiscal Year



Analysis of results and challenges: The Office of Children's Services intends to continue exit surveys to all employees who leave their jobs. Currently all employees who leave their jobs receive a letter from the director and a survey within 30 days of leaving. The information gained from those surveys are gathered and considered for certain trends.

The office also plans to increase social worker positions and adopt the Commission on Child Protection recommendation that, "... social worker caseloads not exceed nationally accepted standards and that the caseloads be capped..."

Continue to focus on improving supervisory and management skills with training. New supervisors are required to attend training one day per quarter during their first year, then quarterly meetings and trainings thereafter. Training for supervisors (and managers) have included the Certified Public Managers, Level I, courses.

Continue to use all hiring tools available through Division of Personnel. Currently the division is using multiple PCN listing, on-call worker program, and continuous recruitment bulletins as tools for hiring.

A3: Strategy - Provide nutrition intervention to improve health status of women, infants and children in Alaska (Clients eligible under WIC).

Target #1: Pregnant, breastfeeding, and postpartum women, infants and children age 0 to 5.

Measure #1: Target population of 80% WIC USDA eligible population is served or exceeded.

Percentage of Target Served by State Fiscal Year

Year	YTD
2000	102%
2001	95%
2002	101%
2003	103%
2004	106%

Analysis of results and challenges: The agency's target is to serve 80% of the USDA eligible population. In SFY 2003, WIC provided benefits and services to 25,384 participants per month. This represents 103% of the agency's target.

Health Care Services Results Delivery Unit

Performance Measure Detail

A: Result - Mitigate Health Care Services (HCS) service reductions by replacing general fund (GF) cuts with alternate funds.

Target #1: Reduce by 1% the GF expenses replacing them with alternate funds.

Measure #1: Percent of GF cuts replaced with alternate funding.

HCS Medicaid Actuals - Other Funds (in millions)

Year	% Federal	% General	% Other	N/A	YTD
1999	66.0%	34.7%	.8%	0	0
2000	65.3%	25.5%	9.2%	0	0
2001	66.4%	22.7%	10.9%	0	0
2002	66.6%	27.8%	6.1%	0	0
2003	67.5%	25.5%	7.1%	0	0
2004	71.1%	16.6%	12.4%	0	0

Analysis of results and challenges: Seek ways to maximize federal participation through Family Planning, IHS, BCC, and Title XXI expenditures.

Charted numbers represent actual expenditures recorded in ABS as percentages. Note FY04 is the first year reported after the reorganization. Prior year actuals will include the complete Medicaid Program and therefore do not provide exact comparisons between fiscal years.

A1: Strategy - Increase federal and other funding sources. Maintain or decrease GF expenditures.

Target #1: Increase Indian health services (IHS) participation by 5% in expenditures.

Measure #1: Percentage of IHS participation.

Health Care Services IHS Participation (in millions)

Year	Total Exp	IHS	% of Total	% Increase	YTD
1999	231.4	37.5	16.2%	6.3%	
2000	274.3	49.4	18.0%	1.8%	
2001	329.4	73.2	22.2%	4.2%	
2002	380.2	74.9	19.7%	-2.5%	
2003	443.9	97.4	21.9%	2.2%	
2004	464.1	111.7	24.0%	2.1%	

Analysis of results and challenges: The Department of Health & Social Services has created a unit dedicated to working with Tribal organizations to maximize IHS federal fund participation in the Medicaid Program and to assure Native beneficiary access to a continuum of care through Tribal health services. Some of the work in progress includes

the transition of services in the YKHC Delta to the Tribal health care system while sustaining funding for these services during this transition; maximization and improvement to the Medicaid billing capacity of Tribal organizations; and assistance to Tribal health organizations in the expansion of community-based services in addition to primary care.

A2: Strategy - Expand fund recovery efforts.

Target #1: Increase funds recovered by 2%.

Measure #1: Amount of funds recovered.

Medicaid Recoveries: Drug Rebates & Third Party Liability Collections (in millions)

Year	Drug Rebates	TPL	Total	% Increase	YTD
2003	17.0	8.0	25.0	N/A	0
2004	19.4	10.1	29.5	18%	0

Analysis of results and challenges: Health Care Services has been able to increase collections on drug rebates and third-party liability by 18% from FY2003 to FY2004. Efforts continue to enhance contracted services as well as in-house collections.

B: Result - To provide affordable access to quality health care services to eligible Alaskans.

Target #1: Increase by 2% the number of providers enrolled.

Measure #1: Number of providers enrolled.

Analysis of results and challenges: Encourage provider participation through prompt payment and customer service.

B1: Strategy - Improve time for claim payment.

Target #1: Decrease by .5% the average time HCS takes to pay a claim.

Measure #1: The average time HCS takes to pay a claim.

Analysis of results and challenges: In FY04 the average time from receiving a Medicaid claim to paying that same claim was 10.63 days.

In FY03 the average time from receiving a Medicaid claim to paying that same claim was 10.5 days.

In FY02 the average time from receiving a Medicaid claim to paying that same claim was 10.7 days.

Little change is noted.

Operation Performance Summary - Annual Average Days/Entry Date to Claims Pay Date

	FY00	FY01	FY02	FY03	FY04	FY05	FY06
Total Claims Processed (fiscal year)	3,720,254	4,409,121	4,959,864	5,615,072	5,737,441	4,888,350	5,121,970
Average Days - Entry Date to Pay	10.15	12.14	12.43	10.27	10.58	11.11	11.31

Note: Prior year reports were based on six months of data. This report is based on annual data.

FY04 data is actual through April. May and June are estimates. Numbers will be adjusted as actuals are received.

FY05-FY06 averages.

B2: Strategy - Implement new Medicaid Management Information System (MMIS).

Target #1: 100% centralized payment capabilities with customer access to information.

Measure #1: Percent of completion.

Analysis of results and challenges: Implementation of the new Medicaid Management Information System is in the design, development, and implementation phase. The fiscal agent and the department have worked together from more than a year on this phase. It is estimated the project will be completed in September 2005.

B3: Strategy - Maintain or increase the number of providers enrolled in each census area.

Target #1: Increase by 2% the number of providers enrolled.

Measure #1: Number of providers enrolled.

Medicaid Providers

Year	Licensed	Enrolled	% Enrolled	YTD
2003	2,223	1,472	66.6%	
2004	2,878	1,953	67.8%	

Analysis of results and challenges: Provider participation is divided up into types of providers as follows: Physicians, Dentists, Pharmacies, Hospitals, and Nursing Facilities. Information concerning the number of licensed providers in the State is provided by the Division of Occupational Licensing.

Percent Licensed Providers Enrolled in Medicaid

Percent Change 04 to 03

Physicians	1.1%
Dentists	-.6%
Pharmacies	1.3%
Hospitals	0%
Nursing Facilities	0%

2004

Physicians	69%
Dentists	54%
Pharmacies	89%

Hospitals	100%
Nursing Facilities	100%
2003	
Physicians	68%
Dentists	55%
Pharmacies	88%
Hospitals	100%
Nursing Facilities	100%

The target of a 2% increase was not met, but the HCS believes the increases/decreases noted above to be excellent marks notwithstanding cost containment measures and program changes implemented over the past two years.

B4: Strategy - Improve payment efficiency.

Target #1: Increase the % of error-free claims by .5%.

Measure #1: Percent of error-free claims.

Analysis of results and challenges: Percentage Change 04 to 03

Hospitals:	1.1%
Physicians:	6%
Dentists:	-0.1%
Nursing Facilities:	-0.1%
Pharmacies:	-2.6%

Pharmacy payment efficiencies have fallen back. In FY02, HCS was operating under a pharmacy claims processing system that was well-known by providers; the system provided limited drug safety editing in comparison to the system in place in FY04. Late in FY03, the department implemented the HIPAA compliant pharmacy claims processor that changed many pharmacy edits and implemented pharmacy safety checks to deny claims of drugs involved in significant drug-drug interactions or drug-disease contraindications. FY04 put claims payment efficiency on a larger descent since the new claims processor was in place for the full fiscal year 2004.

In FY04 the percentage of claims with no errors categorized by the type of provider was as follows:

Hospitals:	63.6%,
Physicians:	65.4%,
Dentists:	74.3%,
Nursing Facilities:	61.7%,
Pharmacies:	77.5%

Error Distribution Analysis - Percent Claims Paid with No Errors by Primary Providers

	FY00	FY01	FY02	FY03	FY04
Total Claims Paid (fiscal year)	3,076,978	3,670,331	4,202,677	4,776,730	5,106,692
Percent Paid with No Errors	71.75%	72.64%	74.43%	73.46%	76.33%
Hospitals	54.17%	57.45%	60.29%	64.71%	63.55%
Physicians	70.11%	69.01%	67.40%	65.39%	63.94%
Dentists	73.53%	72.96%	73.24%	74.35%	74.28%
Nursing Home Facilities	64.53%	69.75%	65.28%	61.80%	61.68%
Pharmacy	79.83%	80.23%	83.34%	80.13%	77.45%

Note: Prior year reports were based on six months of data. This report is based on annual data. FY04 data is actual through April. May and June are estimates. Numbers will be adjusted as actuals are received.

Juvenile Justice Results Delivery Unit

Performance Measure Detail

A: Result - Outcome Statement #1 : Improve juvenile offenders' success in the community following completion of services received by the Division and work toward a reduction in overall juvenile crime.

Target #1: Reduce percentage of juveniles who re-offend within a 24-month period following release from institutional treatment facilities to no more than 40% of the total.

Measure #1: Percentage change in re-offense rate within a 24-month period following release from institutional treatment.

Analysis of results and challenges: The number of youths released from institutions that re-offended actually decreased between FY 03 and FY 04, but because fewer juveniles had been released from institutions in FY 04 than in FY 03 the re-offense rate is increased. The small numbers of youth who are released each year from Alaska's four treatment facilities make it difficult to determine whether increases or decreases in offense rates represent genuine trends. Nevertheless, the Division will continue to review institutional treatment components and research-based practices as it seeks to improve its outcomes for youths leaving institutions.

Facility	Number Released in FY 02	Number of Reoffenders 24 months After Release	Percentage Reoffenders
Johnson Youth Center	11	4	36%
McLaughlin Youth Center	74	46	62%
Fairbanks Youth Facility	17	10	59%
Bethel Youth Facility	4	2	50%
TOTAL	106	62	58%

Race	Number Released in FY 02	Number of Offenders 24 Months After Release	Percentage
Caucasian	39	21	54%
African-American	15	10	67%
Native AK/American Indian	44	27	61%
Asian	3	1	33%
Pac Islander	2	1	50%
Multiple Race	2	1	50%
Other	1	1	100%
TOTAL	106	62	58%

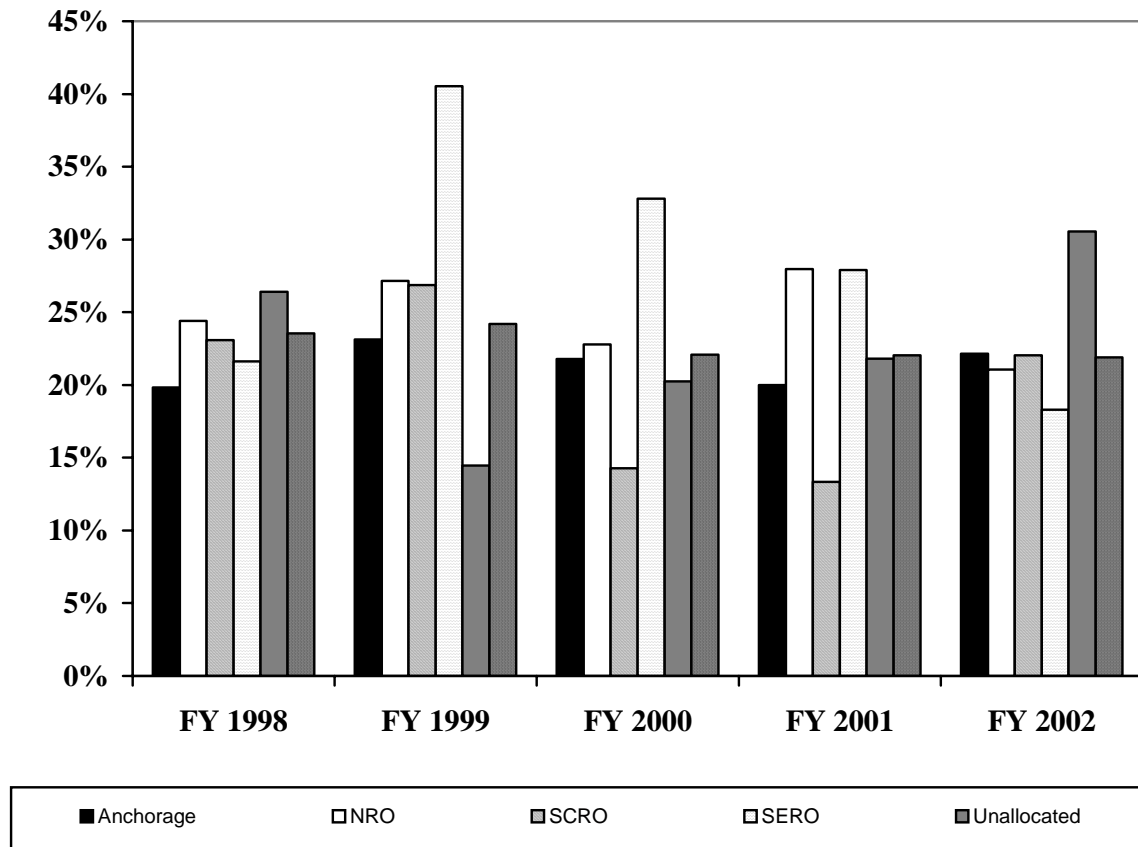
Note: Re-offenses by juveniles released from Alaska's treatment institutions are determined through analysis of entries in the Division of Juvenile Justice's database and the Alaska Public Safety Information Network. Re-offenses are defined as: any offenses resulting in a new juvenile institutional order, a new juvenile adjudication, or an adult conviction. Adjudications and convictions for traffic offenses, Fish & Game violations, violations of Minor in Possession/Consuming Alcohol and Driving While Intoxicated are excluded. Adjudication and convictions received outside Alaska are excluded from analysis.

Target #2: Reduce percentage of juveniles who re-offend within a 24-month period following completion of formal court-ordered probation supervision to 20% of the total.

Measure #2: Percentage change in re-offense rate within a 24-month period following completion of formal court-ordered probation supervision.

Analysis of results and challenges: In 2000 the percentage of juveniles who re-offended was 24% and in 2004 the percentage of juveniles who re-offended was 22%. This suggests that the percentage of juveniles who re-offended in the 24-month period following closure of their formal probation episode has remained relatively constant. The Division intends to evaluate this measure in the coming year to determine whether limiting the term "re-offense" to those offenses resulting in a formal adjudication (as is done with the institutional population performance measure) provides a more accurate picture of re-offense activities than when all referrals to the Division are included in the analysis. The Division is also working with the Department of Public Safety to determine how information from the Alaska Public Safety Information Network can be used to track recidivism by these juveniles who have aged out of the juvenile justice system.

Note: Re-offenses for juveniles released from formal probation are determined by checking for entries in the Division's Juvenile Offender Management Information System. This table reports the number of youth for whom court-ordered probation episodes closed during the fiscal year and defines re-offense as: a subsequent referral to DJJ for a law violation by a juvenile after the probation case was closed. Excludes non-criminal referrals such as traffic offenses, Fish & Game violations, violations of Minor in Possession/Consuming and Driving While Intoxicated. This analysis also excludes referrals that were dismissed or screened and released, and also excludes law violations committed after juveniles turned 18 years old and by those who have committed re-offenses outside Alaska.



Note: Re-offenses for juveniles released from formal probation are determined by checking for entries in the Division's Juvenile Offender Management Information System. This table reports the number of youth for whom court-ordered probation episodes closed during the fiscal year and defines re-offense as: a subsequent referral to DJJ for a law violation by a juvenile after the probation case was closed. Excludes non-criminal referrals such as traffic offenses, Fish & Game violations, violations of Minor in Possession/Consuming and Driving While Intoxicated. This analysis also excludes referrals that were dismissed or screened and released, and also excludes law violations committed after juveniles turned 18 years old and by those who have committed re-offenses outside Alaska.

Target #3: Alaska's juvenile crime rate will be reduced by 5% over a two-year period.

Measure #3: Percentage change of Alaska juvenile crime rate compared to the rate one and two years earlier

**Juveniles, Referrals, and Charges for each Region and Office
for Fiscal Year 2004.**

Some juveniles were referred multiple times within the year.

Some referrals included more than one charge.

Region	Office	Juveniles	Percent of State	Referrals	Percent of State	Charges	Percent of State
Anchorage	Anchorage	1,732	41%	2,340	38%	3,434	34%
NRO	Barrow	87	2%	156	3%	215	2%
	Bethel	329	8%	545	9%	1,163	11%
	Fairbanks	490	11%	714	12%	1,193	12%
	Kotzebue	99	2%	151	2%	395	4%
	Nome	83	2%	123	2%	233	2%
	NRO Total	1,088	25%	1,689	27%	3,199	31%
SCRO	Dillingham	68	2%	111	2%	192	2%
	Homer	80	2%	118	2%	216	2%
	Kenai	247	6%	341	6%	557	5%
	Kodiak	95	2%	155	3%	293	3%
	Mat-Su	379	9%	558	9%	962	9%
	Valdez	69	2%	79	1%	123	1%
	SCRO Total	938	22%	1,362	22%	2,343	23%
SERO	Juneau	242	6%	344	6%	567	6%
	Ketchikan	138	3%	242	4%	359	4%
	Petersburg	52	1%	77	1%	111	1%
	Prince of Wal	34	1%	53	1%	82	1%
	Sitka	50	1%	80	1%	116	1%
	SERO Total	516	12%	796	13%	1,235	12%
State	Total	4,275		6,189		10,213	

1 Juvenile, 2 Referrals and 2 Charges were not allocated to an Office, but are counted in

The "Juveniles" column represents the number of unique juveniles who were referred to DJJ during the fiscal year. Some juveniles were referred multiple times within the year.

A request by a law enforcement agency for a DJJ response following the arrest of a juvenile or as a result of the submission of a police investigation report alleging the commission of a crime or violation of a court order. A referral is counted as a single episode or event and may relate to multiple charges.

Analysis of results and challenges: Both the number of referrals and the percentage of these referrals per 100,000 juvenile population decreased significantly in FY 04 compared with the years before. A decrease in referrals has been a consistent trend for several years except for a brief increase in FY 03. Definitive reasons for this decrease are unknown, although possible causes could include changes in economic conditions, changes in prevention and intervention techniques, changes in law enforcement practices or resources, or a combination of some or all of these.

The Division tracks this information by location within the region. The detail information provides the numbers/percents of Juveniles, Referrals and Charges by office location. Note: Population data is provided by the Alaska Department of Labor. Juvenile referral data is provided by the Division of Juvenile Justice's Juvenile Offender Management Information System (JOMIS) database and includes referrals for youth who are under 10 years old (these referrals make up less than 1% of the total). This data is continually refined and corrected and numbers in future reports may change slightly.

A1: Strategy - Strategy 1a: Improve the Division's success in achieving compliance with audit guidelines for juvenile probation officers as specified in the DJJ field probation policy and procedure manual.

Target #1: All field probation units will achieve an average of 95% compliance with all probation audit standards for each one-year period measured.

Measure #1: Average % of all probation audit standards met by probation officers over the course of the fiscal year.

Analysis of results and challenges: This is a new performance measure that monitors the Division's success in achieving compliance with audit guidelines for juvenile probation officers as specified in the DJJ Field Probation Policy and Procedure Manual. Supervisory audits of each probation officer's caseload are conducted on a quarterly basis. These are used as a constructive means to assess an officer's performance in carrying out the required duties of the position and to ensure the delivery of appropriate services to each client. Data was collected for Quarter 3 and Quarter 4 of FY04. The number of probation officers audited in Quarter 3 was 51. 93.2% of all the audit standards were met for those probation officers' cases. During quarter 4, 45 probation officers were audited. 93.8% of the audits standards were met for those probation officers' cases.

B: Result - Outcome Statement #2 Improve the ability to hold juvenile offenders accountable for their behavior.

Target #1: Improve the ability to collect ordered restitution at the time of case closure to 95% of what was ordered.

Measure #1: Percentage of ordered restitution collected at the time of case closure compared to what was ordered.

Amount Ordered in FY 04	Amount Collected	Percentage	Goal
\$160,165.43	\$144,140.73	90%	95%

Analysis of results and challenges: In FY04, the amount of restitution ordered was \$160,165.43; the amount collected was \$144,140.73. This is a collection total of 90%; the goal is 95%

This measure provides a gauge of the Division's effectiveness in assisting delinquent youth in their efforts to make reparations to those impacted by their criminal behavior. Restitutions requested through youth courts and other community panels also are included, as are assignments of Permanent Fund Dividends made by juvenile probation officers. Juvenile probation officers are responsible for ordering and collecting payments made outside the formal court system. The amount of restitution reported as paid is that amount provided by the youth at the time of case closure. This report also includes restitution payments made by youths who were processed through the formal court system prior to January 1, 2002 but whose cases did not close until FY 04. Since January 1, 2002, restitution payments by juveniles who are processed through the Alaska Court System have been tracked, collected, and reported by the Alaska Department of Law Collections & Support Unit.

Target #2: Improve the amount of community work service performed by juvenile offenders to 100% of what was ordered.

Measure #2: Percentage of community work service hours performed by juvenile

Amount Ordered in FY 04	Amount Completed at Case Closure	Percentage	Goal
24,739	23,720	96%	100%

offenders compared to what was ordered.

Analysis of results and challenges: In FY04, the amount of community work service ordered was 24,739 hours; 23,720 of those hours were completed at case closure. This totals 96%, with a goal of 100%.

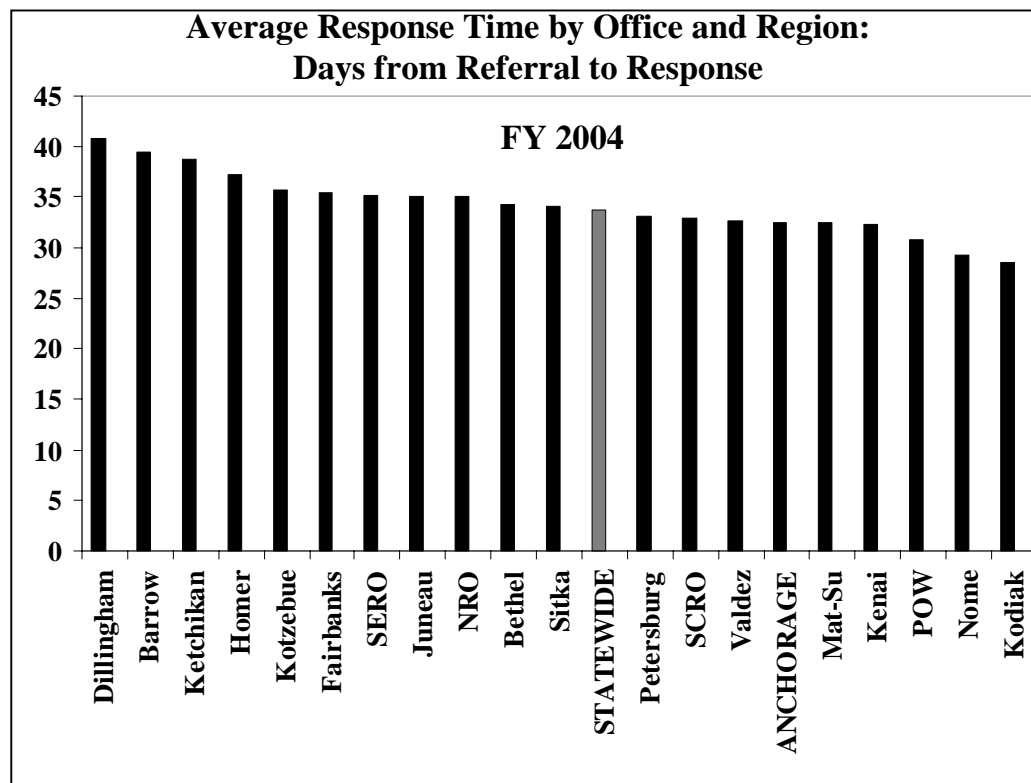
This performance measure is another way the Division of Juvenile Justice reports on offender activity to repair the harm caused to those impacted by juvenile crime. This measure reports the percentage of community work service performed for the cases where

there was a community work service order either by the court or a juvenile probation officer. This performance measure is determined at case closure. Case closures occur when a court order has been given to close a case, a court order has expired, or informal adjustment has been made by the probation officer.

B1: Strategy - Strategy 2a: Improve the timeliness of response to juvenile offenses.

Target #1: Seventy-five percent of juvenile referrals will receive an active response within 30 days from the date that the report is received from law enforcement (see note below).

Measure #1: The percent of delinquency referrals receiving an active response from juvenile probation within 30 days of the date the complete referral is received from law enforcement.



Analysis of results and challenges: This measure enables the Division to monitor the percentage of cases that are responded to within the target response time of 30 days. Research indicates that in order to be effective, responses to juvenile crime must be timely and appropriate to the level of the offense. The table reports on the percentage of referrals that received a response within 30 days of the date the referral was received. The chart below that reports on the average number of days it took to respond to all referrals. In both FY 03 and 04, 65% of referrals received an active case action (as defined in the footnote below) within 30 days. The average number of days it took to provide an active response to all referrals was 39.9 days in FY 03 and 33.8 days in FY 04.

Note: Referrals are reports from law enforcement for specific offenses by an identified juvenile. Referrals included in this analysis were those received in the fiscal year that had one of the following case actions recorded in the Division's management information

system: Adjusted, Dismissed, Informal Probation, Petitioned, Youth Court or other Community Justice program, Adjudicated, and Held in Abeyance; or for which an Intake Interview was conducted. The number of referrals reported here is different than the overall number of referrals reported elsewhere in this report because this analysis does not include referrals for violations of probation and court-ordered conditions of conduct, and referrals that result in secure detention at a Division youth facility. This also excludes referrals that were transferred from one juvenile probation office to another, and those that had none of the dispositions or case actions described above. Referrals marked as Screened and Referred (e.g., returned to law enforcement for more complete information) or that were waived to adult court also are not included in this analysis.

B2: Strategy - Strategy 2b: Improve the satisfaction of victims of juvenile crime.

Target #1: In FY 05 DJJ will develop a process to track victims' satisfaction with juvenile justice services.

Measure #1: Implementation of a process and/or protocol to record and assess victims' satisfaction with juvenile justice services.

Analysis of results and challenges: Promotion of the safety and restoration of victims and communities is a critical aspect of the mission of the Division of Juvenile Justice. Staff are relied upon to work with juveniles to increase victim awareness and empathy, and to assist them in repairing harm through payment of restitution, performance of community work service, and other activities. Division staff also are mandated by statute to provide due process through which victims are assured fair legal proceedings, provided with an opportunity to describe the impacts of an offense on their lives, and are afforded an opportunity to participate in sentencing hearings. To understand the Division's success in meeting these mandates, a victim satisfaction process will be developed during FY 05. Input is currently being sought from the Office of Victims Rights and other states to determine the best way to conduct this activity.

Public Assistance Results Delivery Unit

Performance Measure Detail

A: Result - Low income families and individuals become economically self-sufficient.

Target #1: Increase self-sufficient individuals and families by 10%.

Measure #1: Rate of change in self-sufficient families.

Year	September	December	March	June	YTD
2002	-16%	6%	4%	3%	-2%
2003	-1%	-11%	-14%	-13%	-9%
2004	-12%	-7%	-6%	-9	-9%
2005	-6.1%	0	0	0	-7.2%

Analysis of results and challenges: The goal is for clients to move off of Temporary Assistance with more income than they received while on the program, and for those clients to stay employed with sufficient earnings to stay off the program.

As the caseload declines, those adults with more significant barriers to employment make up a higher percentage of the caseload. Therefore, with a declining caseload, it becomes more difficult to achieve higher percentages of families becoming self-sufficient.

The rate of change is calculated for the number of families receiving Alaska Temporary Assistance Program benefits compared to the same time period in the previous state fiscal year. Thus September of SFY2003 had a 1% decline in the Alaska Temporary Assistance Program caseload compared to September of SFY2002. The YTD column compares the average annual caseload to the prior year average annual caseload.

A1: Strategy - Increase the percentage of temporary assistance families who leave the program with earnings and do not return for 6 months.

Target #1: 90% temporary assistance families leave with earnings and do not return for 6 months.

Measure #1: Percentage of families that leave temporary assistance with earned income and do not return for 6 months.

Percent of Temporary Assistance Families Who Leave the Program With Earnings and Do Not Return for 6 Months

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	83%	83%	76%	81%	81%
2003	85%	87%	82%	82%	84%
2004	90%	85%	79%	80%	84%
2005	89%	0	0	0	89%

Analysis of results and challenges: The goal is for clients to move off of Temporary Assistance with more income than they received while on the program, and for those clients to stay employed with sufficient earnings to stay off the program. The measurement ties in job retention, since retaining employment is directly related to remaining off Temporary Assistance.

The Division provides childcare and supportive services to support employed families during the transition to self-sufficiency. Supportive services include case management support to continue coaching the employed client during this vulnerable period.

To calculate this measure, we divide the number of cases that closed with earnings 6 months ago by the number of cases that closed with earnings 6 months ago who are not in the current caseload. The calculation for the quarterly figures is a weighted average of the 3 months in the quarter. The YTD total is a weighted average of all the months so far in the year.

A2: Strategy - Increase the percentage of temporary assistance families with earnings.

Target #1: 40% of temporary assistance families with earnings.

Measure #1: Percentage of temporary assistance families with earnings.

Percent of Temporary Assistance Adults With Earnings

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	31%	28%	27%	31%	29%
2003	30%	28%	27%	32%	29%
2004	31%	29%	29%	35%	31%
2005	34%	0	0	0	34%

Analysis of results and challenges: This is a measure of current Temporary Assistance recipients who have earned income. As the caseload declines, those adults with more significant barriers to employment make up a higher percentage of the caseload. Therefore, with a declining caseload, it becomes more difficult to achieve higher percentages of recipients with earned income. The goal of the division's welfare-to-work effort is to move families off assistance and into a job that pays well enough for the family to be self-sufficient.

The calculation for the quarterly figures is a weighted average of the 3 months in the quarter. The YTD total is a weighted average of all the months so far in the year.

A3: Strategy - Increase the percentage of temporary assistance families meeting federal work participation rates.

Target #1: 50% of temporary assistance families meet federal work participation rates.

Measure #1: Percentage of temporary assistance families meeting federal work participation rates.

Percentage of temporary assistance families meeting federal work participation rates.

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	38%	37%	36%	36%	36%
2003	32%	33%	33%	34%	34%
2004	36%	36%	36%	37%	37%
2005	39%	0	0	0	39%

Analysis of results and challenges: Temporary Assistance (TA) is a work-focused program designed to help Alaskans plan for self-sufficiency and to make a successful transition from welfare to work. Federal law requires the state to meet work participation requirements. Failure to meet federal participation rates results in fiscal penalties.

As Alaska's TA caseload declines, a growing portion of the families requires more intensive services just to meet minimal participation requirements. Enhancement of TA Work Services will serve to identify and address client challenges to participation.

The quarterly figures are YTD figures. The federal participation rate calculation is a running YTD figure.

A4: Strategy - Improve timeliness of benefit delivery.

Target #1: 95% of food stamps expedited service applications meets federal time requirements.

Measure #1: Percentage of food stamps expedited service households that meet federal time requirements.

Percentage of food stamps expedited service households that meet federal time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	95.38%	94.49%	93.36%	93.40%	93.40%
2003	93.97%	90.45%	90.77%	92.05%	92.05%
2004	93.22%	93.75%	94.45%	94.71%	94.71
2005	90.9%	0	0	0	90.9%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

The quarterly data are YTD figures.

Target #2: 96% of new food stamps applications meet federal time requirements.

Measure #2: Percentage of new food stamps applications that meet federal time requirements.

Percentage of new food stamps applications that meet federal time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	92.98%	94.18%	94.28%	94.70%	94.70%
2003	95.90%	95.12%	95.07%	95.49%	95.49%
2004	96.24%	96.09%	96.28%	96.50	96.50
2005	95.16%	0	0	0	95.16%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

Target #3: 99.5% of food stamps recertification applications meet federal time requirements.

Measure #3: Percentage of food stamps recertification applications that meet federal time requirements.

Percentage of food stamps recertification applications that meet federal time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	99.82%	99.75%	99.65%	99.58%	99.58%
2003	99.47%	99.52%	99.40%	99.41%	99.41%
2004	99.64%	99.59%	99.58%	99.62%	99.62%
2005	99.53%	0	0	0	99.53%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

Target #4: 90% of temporary assistance applications meet time requirements.

Measure #4: Percentage of temporary assistance applications that meet time requirements.

Percentage of Temporary Assistance applications that meet time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	83%	86%	85%	86%	86%
2003	90%	88%	89%	90%	90%
2004	88%	88%	88%	88%	88%
2005	85%	0	0	0	85%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

Target #5: 90% of Medicaid applications meet federal time requirements.

Measure #5: Percentage of Medicaid applications that meet federal time requirements.

Percentage of Medicaid applications that meet federal time requirements

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	89%	90%	89%	89%	89%
2003	91%	90%	90%	90%	90%
2004	88%	91%	91%	91%	91%
2005	92%	0	0	0	92%

Analysis of results and challenges: Timely benefits ensure clients have their benefits when they need them. Untimely benefits cause budget issues for clients and impact their ability to gain self-sufficiency. An issue affecting timeliness is the balance that eligibility workers must strike between timely and accurate benefit delivery.

A5: Strategy - Improve accuracy of benefit delivery.

Target #1: 93% of food stamp benefits are accurate.

Measure #1: Percentage of accurate food stamp benefits.

Percentage of accurate food stamp benefits

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	90.4%	92.4%	90.5%	89.2%	89.2%
2003	86.2%	84.7%	85.6%	86.4%	86.4%
2004	90.8%	94.2%	93.5%	0	93.5%

Analysis of results and challenges: Accurate benefits ensure clients have the amount of benefits to which they are entitled. Fluctuating benefits cause budget issues for clients and impact their ability to gain self-sufficiency. The Quality Assessment Reviews evaluate payment accuracy using statistically valid sampling, case reviews, and home visits.

This is a cumulative measure based on the federal fiscal year (Oct-Sep) and it has about a two-month lag.

Target #2: 95% of temporary assistance benefits are accurate.

Measure #2: Percentage of accurate temporary assistance benefits.

Percentage of accurate temporary assistance benefits.

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	88.2	93.7	93.6	92.0	92.0
2003	94.4	93.6	94.5	93.6	93.6
2004	96.7	97.5	98.2	0	98.2

Analysis of results and challenges: Accurate benefits ensure clients have the amount of benefits to which they are entitled. Fluctuating benefits cause budget issues for clients and impact their ability to gain self-sufficiency. The Quality Assessment Reviews evaluate payment accuracy using statistically valid sampling, case reviews, and home visits.

This is a cumulative measure based on the federal fiscal year (Oct-Sep) and it has about a two-month lag.

Target #3: 93% of Medicaid eligibility determinations are accurate.

Measure #3: Percentage of accurate Medicaid eligibility determinations.

Percentage of accurate Medicaid eligibility determinations

Year	YTD
2002	96%
2003	99%

Analysis of results and challenges: Accurate benefits ensure clients have the amount of benefits to which they are entitled. Fluctuating benefits cause budget issues for clients and impact their ability to gain self-sufficiency. Medicaid eligibility accuracy is compiled at the end of projects designed by the state and accepted by federal authorities.

A6: Strategy - Increase the percentage of subsidy children in licensed care.

Target #1: 76% of subsidy children are in licensed care.

Measure #1: Percentage of subsidy children in licensed care.

Percentage of subsidy children in licensed care

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2002	0	60%	58%	64%	64%
2003	65%	66%	68%	75%	75%
2004	75%	76%	76%	76%	76%

Analysis of results and challenges: The first available data regarding this measure is the second quarter in 2002.

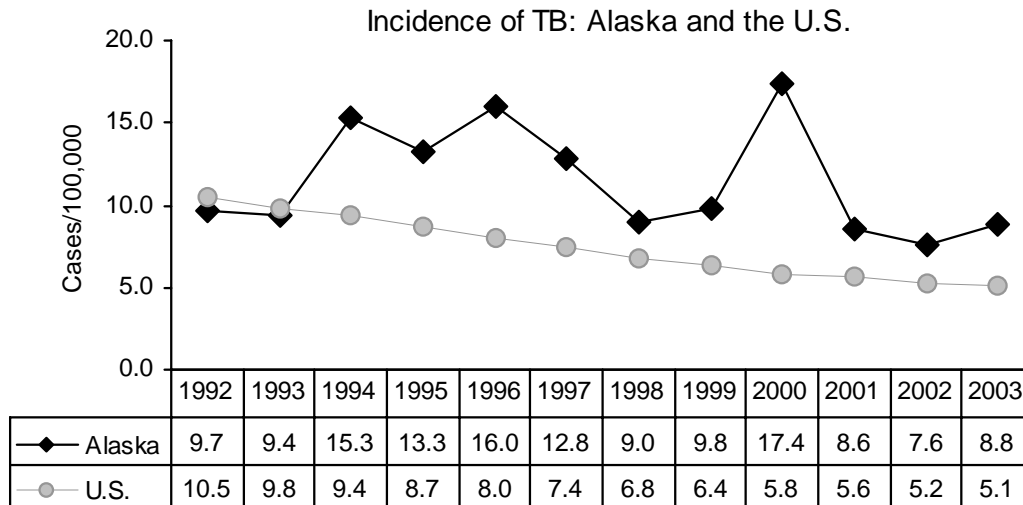
Public Health Results Delivery Unit

Performance Measure Detail

A: Result - Outcome Statement: Healthy people in healthy communities

Target #1: Alaska's TB rate is less than 6.8/100,000 population.

Measure #1: TB rate.



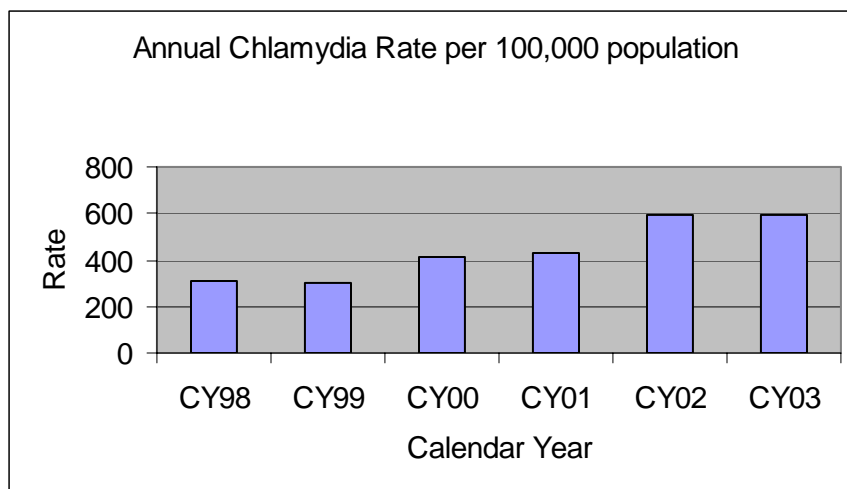
Analysis of results and challenges: Tuberculosis has been a long-standing problem in Alaska and was the cause of death for 46% of all Alaskans who died in 1946. Major efforts, which included 10% of the entire state budget in 1946, led to one of the state's most visible public health successes-major reductions in TB across the state. Now this disease is reemerging and with it the threat of treatment resistant strains of the disease. Significant resources are needed to do the case finding, diagnostic tests and treatment follow-up required to keep the disease in check.

Tuberculosis remains deeply entrenched in many regions of Alaska and will remain so for generations. A strong public health team, knowledgeable about current issues of TB control, is necessary if we hope to eradicate the disease once called the "Scourge of Alaska."

Target is for 2010.

Target #2: Alaska's Chlamydia rate is less than 590/100,000 population.

Measure #2: Chlamydia rate.



Analysis of results and challenges: Infectious diseases remain major causes of illness, disability, and death. New infectious agents and diseases are being detected, and some diseases once under control have reemerged in recent years. In addition, antimicrobial resistance is evolving rapidly.

Many challenges still exist in the prevention and control of infectious diseases. Targeted screening and increased disease investigation activities have actually increased the total numbers of STD cases diagnosed. These activities effectively identify infected individuals with no symptoms and also identify and treat exposed individuals before they develop symptoms or further transmit infection. Case numbers are expected to decline over time as these activities reduce the reservoir of infected individuals in the population.

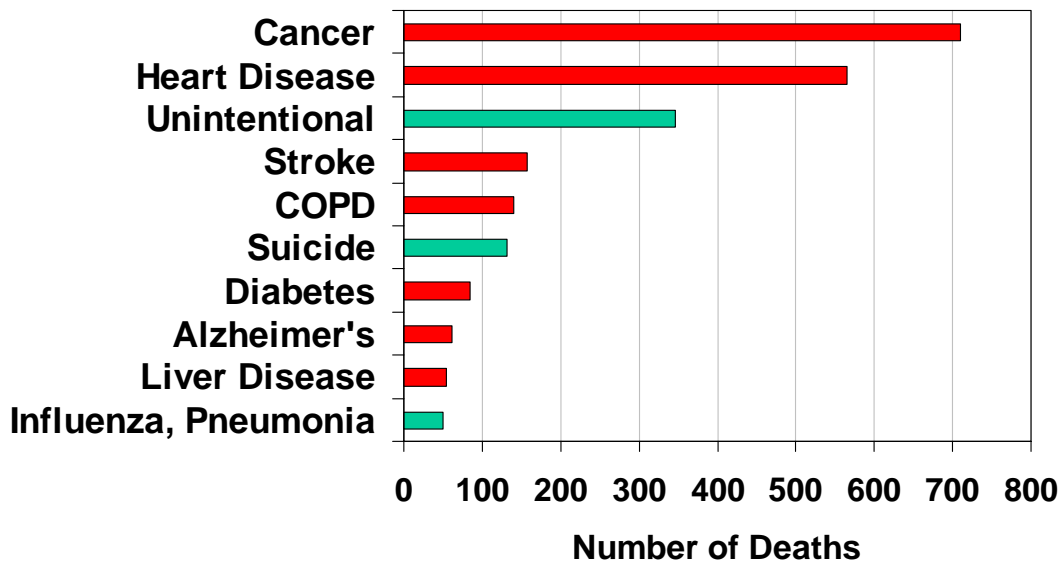
Alaska's 2003 Chlamydia infection rate was the highest in the United States for the third year in a row, with 3,900 cases reported. That's a 3 percent increase over 2002, when 3,803 cases were reported. The increased number of cases most likely results from better case finding due to the introduction of targeted Chlamydia screening, use of new urine screening technologies, and increased partner notification activities.

Target #3: Alaska's coronary heart disease death rate is less than 120/100,000 population.

Measure #3: Heart disease death rate.

Analysis of results and challenges: Nationally, heart disease is the leading cause of death for all Americans. An estimated twelve million men and women have a history of coronary heart disease (the most common form of heart disease). In 1998, almost 460,000 people died of coronary heart disease (44% of these deaths were from heart attacks). Although death rates from coronary heart disease have declined since the late 1960s, the decline has slowed since 1990. The lifetime risk for developing this disease is very high in the United States. One of every two males and one of every three females aged 40 years and under will develop it sometime in their life. Heart disease is the second leading cause of death in Alaska, and cerebrovascular disease (most commonly referred to as stroke) is the fourth leading cause of death in Alaska.

Leading Causes of Death in Alaska - 2002



Target #4: Alaska's overall cancer death rate is less than 180/100,000 population.

Measure #4: Cancer death rate.

Analysis of results and challenges: Cancer is not a single disease, but rather a constellation of more than 100 related diseases. Everyone is at risk of cancer. In the United States, half of all men and one-third of all women will develop cancer during their lifetimes. Of the approximately 491,000 Americans who are diagnosed with cancer in any given year, four of every ten are expected to still be alive five years after diagnosis. Cancer was rarely seen in Alaska during the 1950s, but in the 1990s cancer was the leading cause of death in Alaska.

Target #5: Reduce Alaska's unintentional injury death rate to 50/100,000 population.

Measure #5: Unintentional injury death rate.

Unintentional injury death rate per 100,000 population

Year	Annual	YTD
2003	54.7	
2002	59.2	
2001	61.0	
2000	63.5	
1999	56.5	

Analysis of results and challenges: Injuries are a significant public health and social services problem because of the prevalence of injuries, the toll of injuries on the young, and the high cost in terms of resources and suffering. Alaska has one of the highest injury rates in the nation. Both the intrinsic hazards of the Alaska environment and low rates of protective behavior contribute to injuries. Unintentional injuries were the third leading cause of death in Alaska in 1998. Unlike heart disease and cancer, which are the leading

causes of death among the elderly, injuries are the leading cause of death in children and young adults.

The Division of Public Health along with its many partners continues to see the benefits of actions related to injury control and prevention. The Safe Boating Act and Kids Don't Float are only two examples of the activities that contribute to success in reaching and maintaining this target. The Division of Public Health's Injury Control Program will continue to partner with others and to use surveillance and prevention strategies to understand and target interventions.

A1: Strategy - Reduce the risk of epidemics and the spread of infectious disease.

Target #1: 95% of persons with TB complete adequate treatment regimen.

Measure #1: Percent of persons with TB completing treatment regimen.

% of Persons with TB Completing Treatment Regimen

Year	Annual	YTD
2003	93%*	
2002	95%	0

Analysis of results and challenges: The highest priority for TB control is to ensure that persons with the disease complete curative therapy. If treatment is not continued for a sufficient length of time, such persons become ill and contagious again. Completion of therapy is essential to prevent transmission of the disease as well as to prevent the development of drug-resistant TB. The measurement of completion of therapy is a long-accepted indicator of the effectiveness of community TB control efforts.

Target #2: At least 98% of Chlamydia cases will complete adequate treatment, as defined by CDC's STD Treatment Guidelines.

Measure #2: Percent of persons with STD completing treatment regimen.

% of Chlamydia cases completing adequate treatment

Year	Annual				YTD
2003	99.5%				

Analysis of results and challenges: The basic public health infrastructure for STD and HIV prevention and control is in place: public health laboratory services, public health capacity for patient and partner follow up, and capacity to provide epidemiologic support, data analysis, and data dissemination. Some elements of this infrastructure currently need additional resources to strengthen and expand them, and all require ongoing maintenance. Given changes in overall health care systems, efforts to assure and coordinate clinical and public health activities will be needed on an ongoing basis.

Identification of contacts of STD cases, their notification, and appropriate testing and treatment is a key strategy for the STD program.

From 1/1/03-9/30/03, 99.5% of patients were appropriately treated (only 16 of 3310 reported cases gonorrhea and chlamydia were not appropriately treated).

A2: Strategy - Reduce suffering, death and disability due to chronic disease.

Target #1: Less than 19% of high school youth in Alaska use tobacco products.

Measure #1: Prevalence of tobacco use in Alaskan youth.

Prevalence of tobacco use in Alaska youth in past 30 days (per YRBS survey)

Year	YTD
2003	19%
1998	37%

Analysis of results and challenges: Many Alaskans are currently at risk for developing cardiovascular disease due to such risk factors as smoking, overweight, poor diet, sedentary lifestyle, high blood pressure and cholesterol, and lack of preventive health screening. Smokers' risk of heart attack is more than twice that of nonsmokers. Chronic exposure to environmental tobacco smoke (second-hand smoke) also increases the risk of heart disease. Cigarette smoking is also an important risk factor for stroke.

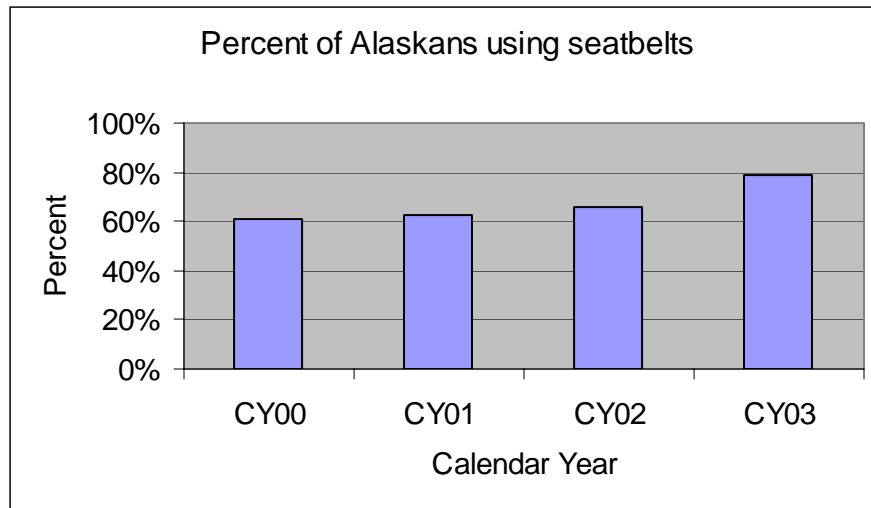
Tobacco is a leading cause of preventable disease and death in the United States. The majority of Alaska smokers (almost 80%) began smoking between the ages of 10 and 20 years. Alaskans have been working to decrease youth tobacco use through increasing the tax on tobacco products, education of young people, enforcement of laws restricting sales to minors, and a statewide ban on self-service tobacco displays.

In 1995, 37% of Alaska youth reported smoking at least once in the last thirty days, compared with 19% in 2003. Data is available from the Youth Risk Behavior Survey when enough Alaska schools participate to give results that can be generalized to the high school population as a whole in the State. This has been the case in 1995 and 2003. Surveys occurred in other years, however, they did not have enough participants to provide statewide results. It is the goal of the Division of Public Health to continue to work with schools to collect a representative sample every other year.

A3: Strategy - Reduce suffering, death and disability due to injuries.

Target #1: Increase seatbelt use to 80%.

Measure #1: Number of properly restrained occupants in a motor vehicle.



Analysis of results and challenges: Injuries are a significant public health and social services problem because of the prevalence of injuries, the toll of injuries on the young, and the high cost in terms of resources and suffering. Alaska has one of the highest injury rates in the nation. Both the intrinsic hazards of the Alaska environment and low rates of protective behavior contribute to injuries and injury. Unintentional injuries were the third leading cause of death in Alaska in 1998. Unlike heart disease and cancer, which are the leading causes of death among the elderly, injuries are the leading cause of death in children and young adults.

Studies have shown that a primary seatbelt enforcement laws that allow law enforcement officers to stop and cite motorists for failing to comply with the seatbelt law is most effective in reaching a higher level of seatbelt use compliance. Efforts continue to increase seatbelt use through public information messages and other targeted activities. Legislative changes and additional resources may be needed to achieve the target.

A4: Strategy - Assure access to early preventative services and quality health care.

Target #1: More than 60% of women of childbearing age will report knowledge that taking folic acid during pregnancy can reduce the risk of birth defects.

Measure #1: Percent of women reporting knowledge of folic acid benefits.

% of women who reported that during the month before pregnancy they took a multivitamin each day

Year	YTD
2003	45%
2000	23%

Analysis of results and challenges: For women of childbearing age, increasing folic acid use by taking multivitamins before and during pregnancy can reduce the risk of birth defects, but the majority of Alaska women report they never took a multivitamin in the month before they got pregnant.

Target #2: 100% of Alaska's licensed and certified long-term care facilities are surveyed and recertified annually.

Measure #2: Percent of licensed and certified long-term care facilities surveyed and recertified annually.

% of licensed and certified long-term care facilities surveyed and re-certified annually

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2004	35.71%	21.43%	21.43%	14.29%	92.86%
2003	21.43%	42.86%	14.29%	21.43%	100%
2002	42.86%	21.43%	21.43%	14.29%	100%

Analysis of results and challenges: The annual required schedule for nursing home surveys is driven in large part by federal certification requirements. Surveys are to be completed within a 9- to 15-month period. Certification and Licensing may not appear to meet the licensing and certification within a given calendar or fiscal year. However, it will consistently meet federal and state certification and licensing survey requirements. The Section's scheduling is affected by significant increases or decreases in complaints or reports of harm, and by significant changes in staff resources.

A5: Strategy - Minimize loss of life and suffering from natural disasters and terrorist attack.

Target #1: 25% of the Division of Public Health staff is trained in disaster response techniques and procedures.

Measure #1: Percent of DPH staff trained.

% of DPH staff trained in disaster preparedness

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2005		32%	0	0	32%

Analysis of results and challenges: Disaster response training for DPH staff (response and management personnel) is enabling DPH to carry out our role in disaster response operations. Training is the critical link between planning and exercises and permits all concerned to maintain a common knowledge base. As of November 2004, 137 DPH employees had received training.

A6: Strategy - Reduce Alaskans' exposure to environmental human health hazards.

Target #1: State lab has validated methods and national certification to test people for 100% of the important PCBs, pesticides and trace heavy metals.

Measure #1: National Certification from CLIA.

% of PCBs, pesticides and trace heavy metals the state lab is nationally certified to test for

Year	Target	Actual	YTD
2006	100%	0	0
2005	75%	0	0
2004	10%	10%	0
2003	0%	0%	0

Analysis of results and challenges: PCBs, pesticides and trace heavy metals can affect human health, especially that of the developing fetus. The chief concern in Alaska centers on the presence of contaminants in traditional foods. Generally these foods are very nutritious and offer a number of health benefits. This testing will measure human exposure to contaminants and verify the safety of traditional foods.

Senior and Disabilities Services Results Delivery Unit

Performance Measure Detail

A: Result - Improve and enhance the quality of life for seniors and persons with disabilities through cost-effective delivery of services.

Target #1: 10% reduction in DSDS Medicaid costs.

Measure #1: Percent change in cost of Medicaid waiver services.

Average Cost/Medicaid Waiver

Year	avg cost				YTD
2003	31,747				
2004	35,317				

Analysis of results and challenges: The average cost per Medicaid Waiver has increased from FY2003 to FY2004. The division implemented new regulations which have cost containment measures built in. We will see some improvement in the cost containment of Medicaid in FY2005, but it will be minimal. The Department of Law ruled that the Plans of Care are contracts and cannot be modified until they come up for renewal or amendment.

A1: Strategy - Maximize all revenue sources by streamlining program operations and cost effective delivery of Medicaid services.

Target #1: Maximize revenue sources for all Medicaid programs by ensuring that those beneficiaries who are entitled for services under 100% Federal Medicaid Claiming are being billed under the appropriate claiming source.

Measure #1: Maintain current level of services and at the same time preserve GF funds by increasing the number of IHS recipients that move from state Medicaid to 100% federal Medicaid by 10% per year.

Transfer of recipients from Medicaid Match to 100% Federal

Year	# of Recpts				YTD
2004	28				28

Analysis of results and challenges: In the Yukon Kuskokwim Delta Area, the division worked with the YK Health Corporation in FY2004 to transfer Indian Health Service Beneficiaries from regular state Medicaid with a split of approximately 60% federal and 40% state match to 100% federal as part of a refinancing project. This has resulted in an approximate \$2.0 million GF savings. The division started a pilot project in the Yukon Kuskokwim Delta area to move IHS beneficiaries on to the 100% federal Medicaid reimbursement.

A2: Strategy - Improve the request for proposal process for the Older American Act grants and overall program administration.

Target #1: Clear, concise RFP process with an efficient administration of programs.

Measure #1: No errors or omissions in RFP, zero complaints from prospective grantees, and no adverse audit findings.

Older Americans Act Grants to Local Grantees

Year	Appeals	Audit	Omissions		YTD
2004	2	0	0		2
2005	0	0	0		0

Analysis of results and challenges: During the FY2004 Grant process, we received two appeals based on the final grant awards. The FY2004 Grants were issued under the Department of Administration and were for two years. There were no appeals in FY2005 as it was a continuation year.

B: Result - Increase community outreach and awareness of HCBS.

Target #1: Increase the number of seniors who are able to remain in their home or rural communities by 5% per year.

Measure #1: Number of elders who are able to remain in their communities and receive HCBS.

No. of People Receiving HCB Svcs in their Communities

Year	# of Rcpts				YTD
2003	910				
2004	950				

Analysis of results and challenges: The division works with the individual communities to help them provide services to their elders. We cannot list the communities where services are provided because of confidentiality. Most of these communities are so small that only one member is receiving services. When that individual dies, the community may not have a need for HCB services for a number of years.

B1: Strategy - Development of Home and Community Based Services in Rural Alaska.

Target #1: Add five new rural communities per year that offer HCBS.

Measure #1: Increase in the number of rural communities offering HCBS.

Number of Rural Communities Offering HCBS

Year	# of Com.				YTD
2003	75				75
2004	83				83

Analysis of results and challenges: The division works with the individual communities to help them provide services to their elders. We cannot list the communities where

services are provided because of confidentiality. Most of these communities are so small that only one member is receiving services. When that individual dies, the community may not have a need for HCB services for a number of years.

Departmental Support Services Results Delivery Unit

Performance Measure Detail

A: Result - Outcome #1 Facilitate the Department's Mission Through Superior (effective & efficient) Delivery of Administrative Services.

Target #1: Maintain percentage of DHSS Administration to Department Overhead.

Measure #1: Percentage administration personal services is to total department budget.

Year	YTD
2003	0.36%
2004	0.43%

Analysis of results and challenges: Department administration personnel services equal all of Department Support Services RDU. This number is compared to the total DHSS Expenditures.

There is an increase in FY04, as a result of approximately 40 positions that were transferred in from divisions into Division Support Services as part of the Grants and Contracts consolidation.

Target #2: Process capital grant payments within 15 days.

Measure #2: Number of days to process a grant payment after receiving reports.

Number of days to process a grant payment after receiving reports.

Year	YTD
2003	5.60 days
2004	4.89 days

Analysis of results and challenges: There were 160 capital grant payments with only 7 that did not process within 15 days.

Target #3: Pay vendors as close to 30 days from invoice date as possible.

Measure #3: Average days from invoice date to date of warrant to pay invoice.

Average Payment Processing time from the date of Invoice

Year	YTD
2003	36 Days
2004	28 Days

Analysis of results and challenges: The calculation between FY03 and FY04 decreased significantly. This is due to efficiencies within the department being achieved. Units submitted invoices more timely which in turn allowed department processing to be quicker.

A1: Strategy - Implement Business Process Reviews.

A2: Strategy - Implement Department's Administrative Training Plan Curriculum.

B: Result - Improve Customer Service

Target #1: Increase by 5% the percentage of customers that report that Finance and Management Services is meeting their needs.

Measure #1: Percentage of survey respondents to each Finance and Management Section (FMS) that report FMS is meeting their needs.

Analysis of results and challenges: A customer survey on Finance and Management Services performance is conducted annually. Survey results show that 64.7% of survey respondents ranked overall FMS service performance to be above average (6) or higher on a scale of 1-10.

Individual core services are surveyed and results are shown in the above table. Combined average of respondents agreeing or highly agreeing that core services are meeting their needs is 64.7% for 2004, an increase of 5.7% over 2003.

Average of FMS Service Functions - % Agree or Strongly Agree meeting service needs:

2004 Survey

	% Agree or Strongly Agree	% from Prior Year
Grants and Contracts	64.9%	-3.3%
Procurement	66.5%	-4.1%
Facilities Management	76.1%	0.4%
Audit	81.9%	7.9%
Finance	64.8%	1.7%
Information Services	71.4%	-1.0%
Budget	67.4%	0.6%
Assistant Commissioner's Office	71.9%	-2.4%

2003 Survey

	% Agree or Strongly Agree
Grants Administration	68.2%
Procurement	70.6%
Facilities Management	75.7%
Audit	74.0%
Finance	63.1%
Information Services	72.4%
Budget	66.8%
Director's Office	74.3%

2003 Human Resources Service 60%

2004 Human Resources Service 57% -3%

In 2003 Human Resource (Personnel & Payroll) functions were within DHSS. In 2004 those functions are housed in DOA, however DHSS continues to survey customer service in this area. The comparisons of this function are broken out above.

B1: Strategy - Establish and Maintain Guaranteed Standards.

B2: Strategy - Continue Customer Service Plan.

C: Result - Improve overall understanding of DHSS budget processes.

Target #1: Increase percentage of federal collections by 1% a year.

Measure #1: Percentage of federal collections.

Percent of DHSS Budget that is Federal

Year	YTD
2002	51.4%
2003	53.6%
2004	54.5%

Target #2: Improve Legislative understanding of the DHSS budget.

Measure #2: Respond to 80% of legislative inquiries by Budget Unit within 5 working days.

% of Responses for Legislative Requests made within 5 working days

Year	YTD
2002	83%
2003	83%
2004	78%

Analysis of results and challenges: The Budget Section received approximately 147 requests in CY 2003 and 186 in CY 2004. The average processing time is 3.77 days and 78% were completed with in 5 working days.

C1: Strategy - Increase federal collections.

C2: Strategy - Improve Legislative understanding of the budget.

D: Result - Facilitate the Department's day-to-day operations through effective and efficient delivery of Information Technology Services.

Target #1: Reduce the length of time and number of hours to respond and close out service calls.

Measure #1: Number of hours to close out service calls.

Analysis of results and challenges: This is a new measure for FY05.

Target #2: Anticipate XX% of IT Business Application projects completed on time and within budget.

Measure #2: Compare projected resources to actual resources utilized.

Analysis of results and challenges: This is a new measure in FY05.

D1: Strategy - Improve IT service call turn around time by implementing and maintaining software tracking system.

This page intentionally left blank.

Appendices

RDU/Component Listing FY2006

RDU Name	Component Name
Alaskan Pioneer Homes	Alaskan Pioneer Homes Management
Alaskan Pioneer Homes	Pioneer Homes
Behavioral Health	AK Fetal Alcohol Syndrome Program
Behavioral Health	Alcohol Safety Action Program (ASAP)
Behavioral Health	Behavioral Health Medicaid Services
Behavioral Health	Behavioral Health Grants
Behavioral Health	Behavioral Health Administration
Behavioral Health	Community Action Prevention & Intervention Grants
Behavioral Health	Rural Services and Suicide Prevention
Behavioral Health	Psychiatric Emergency Services
Behavioral Health	Services to the Seriously Mentally Ill
Behavioral Health	Designated Evaluation and Treatment
Behavioral Health	Services for Severely Emotionally Disturbed Youth
Behavioral Health	Alaska Psychiatric Institute
Children's Services	Children's Medicaid Services
Children's Services	Children's Services Management
Children's Services	Children's Services Training
Children's Services	Front Line Social Workers
Children's Services	Family Preservation
Children's Services	Foster Care Base Rate
Children's Services	Foster Care Augmented Rate
Children's Services	Foster Care Special Need
Children's Services	Subsidized Adoptions & Guardianship
Children's Services	Residential Child Care
Children's Services	Infant Learning Program Grants
Children's Services	Women, Infants and Children
Children's Services	Children's Trust Programs
Children's Services	Child Protection Legal Svcs
Health Care Services	Medicaid Services
Health Care Services	Catastrophic and Chronic Illness Assistance (AS 47.08)
Health Care Services	Medical Assistance Administration
Health Care Services	Health Purchasing Group
Health Care Services	Women's and Adolescents' Services
Juvenile Justice	McLaughlin Youth Center
Juvenile Justice	Mat-Su Youth Facility
Juvenile Justice	Kenai Peninsula Youth Facility
Juvenile Justice	Fairbanks Youth Facility
Juvenile Justice	Bethel Youth Facility
Juvenile Justice	Nome Youth Facility
Juvenile Justice	Johnson Youth Center
Juvenile Justice	Ketchikan Regional Youth Facility

[illegible]

- Probation Services
- Delinquency Prevention
- Youth Courts
- Alaska Temporary Assistance Program
- Adult Public Assistance
- Child Care Benefits
- General Relief Assistance
- Tribal Assistance Programs
- Permanent Fund Dividend Hold Harmless
- Energy Assistance Program
- Public Assistance Administration
- Public Assistance Field Services
- Fraud Investigation
- Quality Control
- Work Services
- Nursing
- Public Health Administrative Services
- Certification and Licensing
- Epidemiology
- Bureau of Vital Statistics
- Community Health/Emergency Medical Services
- Community Health Grants
- Emergency Medical Services Grants
- State Medical Examiner
- Public Health Laboratories
- Tobacco Prevention and Control
- Senior and Disabilities Medicaid Services
- Senior and Disabilities Services Administration
- Protection, Community Services and Administration
- Nutrition, Transportation, & Support Services
- Senior Community Based Grants
- Home and Community Based Care
- Senior Residential Services
- Community Developmental Disabilities Grants
- Commissioner's Office
- Office of Program Review
- Rate Review
- Administrative Support Services
- Assessment and Planning
- Audit
- Hearings and Appeals
- Medicaid School Based Admin Claims
- Health Planning & Facilities Management
- Health Planning and Infrastructure
- Information Technology Services
- Facilities Maintenance

Departmental Support Services	Pioneers' Homes Facilities Maintenance
Departmental Support Services	HSS State Facilities Rent
Departmental Support Services	BASIC Grants
Boards and Commissions	Alaska Mental Health Board
Boards and Commissions	Advisory Board on Alcoholism and Drug Abuse
Boards and Commissions	Commission on Aging
Boards and Commissions	Governor's Council on Disabilities and Special Education
Boards and Commissions	Governor's Council on Faith-Based and Community Initiatives
Boards and Commissions	Pioneers Homes Advisory Board
Boards and Commissions	Suicide Prevention Council
Human Services Community Matching Grant	Human Services Community Matching Grant

This page intentionally left blank.

Glossary of Acronyms

ABADA	Advisory Board on Alcoholism and Drug Abuse
ABDR	Alaska Birth Defects Registry
ABS	Alaska Budget System
ACOA	Alaska Commission on Aging
ADTPF	Alcohol and other Drug Treatment and Prevention Fund
AFHCAN	Alaska Federal Health Care
AJJAC	Alaska Juvenile Justice Advisory Committee
AKAIMS	Alaska Automated Information Management System
AKPH	Alaskan Pioneer Homes
AKSAP	Alaska Senior Assistance Program
AMHB	Alaska Mental Health Board
AMHTA	Alaska Mental Health Trust Authority
APA	Adult Public Assistance
API	Alaska Psychiatric Institute
APHIP	Alaska Public Health Improvement Process
ARND	Alcohol and Related Neurodevelopmental Disorder
ARBD	Alcohol Related Birth Defects
ASAP	Alcohol Safety Action Program
ASTHO	Association of State & Territorial Health Officials
ATAP	Alaska Temporary Assistance Program
ATCA	Alaska Tobacco Control Alliance
ATSDR	Agency for Toxic Substances and Disease Registry
AVCP	Association of Village Council Presidents
BB	Better Beginnings
BH	Behavioral Health
BRFSS	Behavioral Risk Factor Surveillance System
BRS	Behavioral Rehabilitation Services
BVS	Bureau of Vital Statistics
CAHPS	Consumer Assessment of Health Plans Survey
CAMA	Chronic and Acute Medical Assistance
CAPI	Community Action, Prevention and Intervention
CCDF	Child Care Development Fund
CCISC	Comprehensive, Continuous, Integrated System of Care
CDC	Center for Disease Control
CDDG	Community Developmental Disabilities Grants
CDFA	Catalogue of Federal Domestic Assistance
CDVSA	Council on Domestic Violence and Sexual Assault

CFR.....	Code of Federal Regulations
CHATS	Community Health Aide Training and Supervision
CHEMS.....	Community Health & Emergency Medical Services
CHIP	Children's Health Insurance Program
CIMHP	Comprehensive Integrated Mental Health Plan
C&L	Certification & Licensing
CMHC.....	Community Mental Health Center
CMI.....	Chronically Mentally Ill
CMS	Center for Medicare and Medicaid Services
COFIT.....	Outcome Fidelity and Implementation Tool
COMPASS.....	Community Partnership for Access Solutions and Success
CQI.....	Continuous Quality Improvement
CSAT	Center for Substance Abuse Treatment
CSM	Children's Services Management
CSN.....	Children with Special Needs
DAI	Detention Assessment Instrument
DAS.....	Division of Administrative Services
DBH	Division of Behavioral Health
DE&ED.....	Department of Education & Early Development
DET.....	Designated Evaluation & Treatment
DHSS	Department of Health and Social Services
DJJ.....	Division of Juvenile Justice
DKC	Denali KidCare (State Children's Health Insurance Program)
DOT	Direct Observed Therapy
DPA.....	Division of Public Assistance
DSDS	Division of Senior and Disabilities Services
DSH.....	Disproportionate Share Hospital
DSS	Department Support Services
DWI.....	Driving While Intoxicated
EAP	Energy Assistance Program
EBT	Electronic Benefit Transfer
EI.....	Early Intervention
EIEIO	Early Intervention, Enhancement and Improvement Opportunity
EI/ILP.....	Early Intervention/Infant Learning Program
EIS.....	Eligibility Information System
EMS	Emergency Medical Services
EPI.....	Epidemiology
EPSDT	Early & Periodic Screening, Diagnosis and Treatment
FAE	Fetal Alcohol Effects
FARS.....	Fatal Accident Reporting System

FASFetal Alcohol Syndrome
 FASDFetal Alcohol Spectrum Disorder
 FBCL.....Faith Based and Community Initiatives
 FLSWFront Line Social Worker
 FMAP.....Federal Medical Assistance Program
 FSFood Stamps
 FTEFull Time Equivalent
 GCDSEGovernor’s Council on Disabilities and Special Education
 GRAGeneral Relief Assistance
 HAIL.....Healthy Alaskans Information Line
 HAN.....Health Alert Network
 HAP.....Heating Assistance Program
 HCBC.....Home and Community Based Care
 HCPHealth Care Program
 HCS.....Health Care Services
 HFHealthy Families
 HIFAHealth Insurance Flexibility and Accountability
 HIPPHealth Insurance Premium Payment (Medicaid)
 HIPPA.....Health Insurance Portability and Accountability Act
 HPG.....Health Purchasing Group
 HRSA.....Health Resource Services Administration
 IAInterim Assistance
 IDEA.....Individuals with Disabilities Education Act
 IEP.....Individualized Education Plan
 IFSP.....Individual Family Service Plan
 IHSIndian Health Services
 ILLECP.....Local Law Enforcement & Community
 ILP.....Infant Learning Program
 IOP.....Intensive Outpatient Program
 ITG.....Information Technology Group
 JJDPOffice of Juvenile Justice and Delinquency Prevention
 JOMIS.....Juvenile Offender Management Information System
 JPOJuvenile Probation Officer
 JTPAJob Training Partnership Act
 LCSW.....Licensed Certified Social Worker
 LIHEAPLow Income Home Energy Assistance Program
 LTC.....Long Term Care
 MCAC.....Medicaid Care and Advisory Committee
 MCFHMaternal, Child, & Family Health
 MHDDMental Health and Developmental Disabilities

MHTAAR	Mental Health Trust Authority Authorized Receipts
MIS	Management Information System
MMIS	Medicaid Management Information System
MOA	Municipality of Anchorage or Memorandum of Agreement
MOE.....	Maintenance of Effort
MYC	McLaughlin Youth Center
NPS	National Pharmaceutical Stockpile
NRO	Northern Region Office
NSH.....	North Star Hospital
NTSS.....	Nutrition, Transportation and Support Services
OCS.....	Office of Children's Services
OEP.....	Office of Emergency Preparedness
OPR.....	Office of Program Review
ORCA	Online Resource for the Children of Alaska
OSEP.....	Office of Special Education Programs
PA	Public Assistance
PASS.....	Parents Achieving Self-Sufficiency
PC.....	Personal Computer
PCA.....	Personal Care Attendant
PCCM	Primary Care Case Management
PCN.....	Position Control Number
PCSA.....	Protection, Community Services and Administration
PDL.....	Preferred Drug List
PEC.....	Proposal Evaluation Committee
PERM.....	Payment Error Rate Measure
PES.....	Psychiatric Emergency Services
PFDHH	Permanent Fund Dividend Hold Harmless
PHAB	Pioneers' Homes Advisory Board
PHN.....	Public Health Nursing
PIC	Private Industry Council
PIP.....	Performance Improvement Plan
POP	Persistent Organic Pollutants
PPC	Prevention Policy Committee
PRAMS	Pregnancy Risk Assessment Monitoring System
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act
RCC.....	Residential Child Care
RDT.....	Residential Diagnostic Treatment
RDU.....	Results Delivery Unit
RFP	Request for Proposal
RFR.....	Request for Recommendations

RPMS.....Resources and Patient Management System
 RPTC.....Residential Psychiatric Treatment Center
 RSA.....Reimbursable Services Agreement
 RSS.....Receipt Supported Services
 RSSPRural Services and Suicide Prevention
 SAG.....Subsidized Adoption and Guardianship
 SAMHSA.....Substance Abuse and Mental Health Services Administration
 SCHIPState Children’s Health Insurance Program
 SCROSouthcentral Region Office
 SDSSenior and Disabilities Services
 SECC.....State Emergency Coordination Center
 SED.....Seriously Emotionally Disturbed
 SEROSoutheast Region Office
 SIG/ACTState Incentive Grant/Alaskans Collaborating for Teens
 SMEState Medical Examiner
 SMISupplementary Medical Insurance
 SSBG.....Social Services Block Grant
 SSI.....Supplemental Security Income
 STD.....Sexually Transmitted Disease
 SVCS/SMIServices to the Seriously Mentally Ill
 TANFTemporary Assistance to Needy Families
 TBTuberculosis
 TCC.....Tanana Chiefs Conference
 TCM.....Targeted Case Management
 TEFRA.....Tax Equity and Fiscal Responsibility Act of 1982
 TFAP.....Tribal Family Assistance Programs
 Title VMaternal, Child Health Block Grant
 Title X.....Family Planning (Federal)
 Title XIX.....Medicaid
 Title XXI.....SCHIP/Denali KidCare
 T&H.....Central Council of Tlingit and Haida Indian Tribes
 TPL.....Third Party Liability
 TWWIIA.....Ticket to Work and Work Incentives Improvement Act of 1999
 USDA.....U. S. Department of Agriculture
 WIA.....Workforce Investment Act
 WIC.....Women, Infants and Children
 WSEA.....Western States EBT Alliance
 WtWWelfare to Work
 YFYouth Facility
 YKHCYukon-Kuskokwim Regional Health Corporation

YRBSYouth Risk Behavior Survey

This page intentionally left blank.